

America's Gold Coinage

EDITED BY

William E. Merzolf



*Coinage of the American Conference
at The American Numismatic Society, New York*

November 4-5, 1989

Coinage of the Americas Conference

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America's Gold Coinage

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Preface

America's gold coinage provided the subject for the sixth annual Coinage of the Americas Conference sponsored by the American Numismatic Society. Since its inception, this program has enjoyed the enthusiastic support of the Society's governing Council as a forum for the dissemination of emerging research in western hemisphere numismatics.

The purpose of these conferences is to facilitate the exchange of information. Toward this end, experts in the field are invited to present papers, collectors are invited to exhibit, and notice of the conference is circulated widely to encourage attendance by all interested in the topic. The Society also mounts an exhibition from its holdings and invites registrants to come to know the Society's collections and library better during the days of the conference.

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The Society is grateful to the following contributors who helped make the 1989 Coinage of the Americas Conference possible:

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Introduction

This volume presents the proceedings of the sixth Coinage of the Americas Conference held at the American Numismatic Society on November 4 and 5, 1989. The paper of Q. David Bowers on collecting of gold coins in America pinpoints one of the obstacles facing anyone who would contemplate a gathering devoted to American gold: gold coins have never been as widely collected or studied as, say, colonial or early federal coppers, and even today the number of specialists is relatively small.

The 1989 effort faced other problems. Several individuals whose participation had been hoped for were unavailable, and an unexpected change of staff meant that organization of the gathering had to be assumed in mid-course by a non-specialist. But groundwork already laid, combined with the willingness of old friends to come forward on short notice—and, above all, the momentum generated by five successful conferences—both filled out and lent surprising variety to the program.

One fixed point in the Coinage of the Americas Conferences has been John W. McCloskey. For the second time he prepared the booklet and slide set published in connection with it, and here presented the most technical of the studies, on Half Eagles of 1834–1838. His preliminary results should provide both a paradigm and a stimulus for further studies.

Similarly technical was a paper on the 1861 Paquet Double Eagles, which subsequently became the focus of controversy as reported in the numismatic press. In sum, it was the Society's position that the paper submitted was not that which had been invited; even so, the substantive point of contention was resolved in favor of the authors, and it is regrettable that they nonetheless decided to withdraw their paper from publication here.

Three other papers illustrated the sluggish and haphazard development of minting policy in the United States. The first of these was provided by Richard G. Doty of the National Numismatic Collection, Smithsonian Institution. His discussion of the vicissitudes of the short-lived Charlotte and Dahlonega mints is a reminder that technology available is not necessarily technology implemented, and of the impact of personalities now all but forgotten on the history of our coinage. Cory Gilliland, also of the National Numismatic Collection, discussed the antiquity of what many regard as a modern use for coinage. Walter H. Breen both instructed and amused with his brisk review of the interplay of monetary theory and coinage during the last decades of the nineteenth century.

David Bowers's paper has already been mentioned; it provides not only a glimpse into the development of numismatic connoisseurship in this country, but an illustration of the symbiosis between collecting and research. It was only when gold coins began to be a focus of collector interest that it was possible to move beyond widespread misinformation and toward understanding. The printed version of his paper understates its effectiveness as presented, since many of the coins mentioned were on view in the Society as he spoke.

Almost from the moment they were created, coins began to be counterfeited. Charles R. Hoskins's paper is necessarily anecdotal: though some counterfeiters have been proud enough of their work to boast about it for posterity, it is in the nature of the trade that inside information is hard to come by. It is welcome news—particularly given the dangerous nature of some of the counterfeits—that the phenomenon is in at least a temporary decline.

The conference was rounded out by two papers that were conceived in relationship to one another, as the speakers represent opposite ends of the road to the creation of coinage. Representative James A. Hayes of Louisiana, a member of the House Committee on Banking, Finance, and Urban Affairs and its Subcommittee on Consumer Affairs and Coinage, traced the intricate legislative path a proposal must follow before a coin can come to be, employing for context the bicentennial of the United States Congress. Cynics will see "politics as usual" in Rep. Hayes's account of the creation of the Congressional commemoratives, but that very fact lends value to his documentation of the factors affecting coin production and design.

The closing paper was delivered by Elizabeth Jones, Chief Sculptor and Engraver of the United States Mint, who has ultimate responsibility for the appearance of our coins, and has herself designed

many of the commemoratives of which Rep. Hayes spoke. Miss Jones focused on the marriage between politics and art that produced the most beautiful of modern coins, as well as less successful encounters in the history of U.S. coin design. No other Chief Engraver, active or retired, has commented so substantively on the artistic merits of earlier coins.

This volume was to have closed with a catalogue of a portion of the Harry W. Bass, Jr. Reference Collection of United States Federal Gold Coinage, together with reminiscences about Mr. Bass's collecting career. Unfortunately that project proved far more complex and time-consuming than originally anticipated. The ANS hopes and expects to be able to publish this unique contribution at some future date. The Coinage of the Americas Conferences have often been remarked as the legacy of Mr. Bass's Presidency of the American Numismatic Society; the subject matter of the 1989 conference surely came closest to his own principal interest in the coinage of this hemisphere. Those who were present are unlikely to forget the excitement surrounding the display of over 600 pieces from the Bass collection. Specialists had available an array of die varieties so unprecedented that the revelation of the current ownership of the unique 1870-S \$3 gold piece seemed almost an anticlimax, and amateurs were dazzled by the sheer mass of his material gathered in so small a compass.

At the end of two days even those who, like the editor, knew little of America's gold coinage were surprised by its variety and complexity. Virtually all the papers published here reflect the oral presentations almost verbatim, and perhaps this volume will succeed in communicating not only the substance but the spirit of the 1989 Coinage of the Americas Conference.

William E. Metcalf
Conference Chairman

A Study of Classic Half Eagles
1834–1838

John W. McCloskey

**Coinage of the Americas Conference
at the American Numismatic Society, New York
November 4–5, 1989**

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Classic gold Half Eagles were struck for only a short period from 1834 to 1838. The series consists of the five Philadelphia dates for this period and the branch mint issues from Charlotte and Dahlonega in 1838. The five Philadelphia dates are all readily available—they are frequently offered for sale at major coin auctions and are available at most major coin shows. A date set would therefore be quite easy to assemble. But this series was struck during a period in our history when the coinage dies were prepared individually. During this time the central devices were prepared from a coinage hub but the features around the periphery of the dies were individually punched into the dies. This manufacturing process makes it possible to identify easily the individual coinage dies that were used in the series.

Study of the coins in this series has led to the identification of 21 obverse and 17 reverse dies. Total mintage for the seven dates in the series is just over 2.1 million pieces. This gives an average life of just over 100,000 coins for each obverse die and almost 120,000 coins for each reverse die. Identification of the coins in the series by die variety expands the seven coin series into a fascinating collection of 31 varieties with many interesting and unusual features. Some of these varieties are common and go through a long sequence of die states, while others are rare and represent a challenge to obtain for one's collection. A collection by die variety thus becomes a beautiful historical representation of the gold coinage struck in early America.

These gold coins played an important role in the business ventures of the period and allowed the public to conduct financial transactions more easily. All 31 varieties in the series represent those that I have personally seen and studied over the past few years. The descriptions that are given and the observations that are made in this article were obtained from personal study and comparison of actual coins. While I do not claim that my listing is complete, I feel that my search has been extensive enough to have allowed me to observe all of the common varieties and all but a few of the rare varieties that exist in the series. I have identified the varieties of over 400 pieces at coin shows I have attended, and of over 100 more from photographs that have appeared in auction catalogues. In addition I have studied the 12 specimens from the series that are owned by the American Numismatic Society, the 34 pieces in the National Collection at the Smithsonian Institution in Washington, D.C., and the 67 pieces in the personal holdings of a New York collector. Furthermore I have been able to acquire a personal collection which contains examples of 28 of the 31 varieties that I have identified.

Of the three varieties that I do not own, examples of two are in the ANS, with the other variety being held by the SI.

Obverse Identification

The obverse dies for the various dates are really quite easy to identify from a few key features. The central device of Liberty was created from a hub and is nearly identical for all of the obverses. The dates on the various dies were individually punched into the dies and vary considerably in size, style, and location. The date alone is usually sufficient to distinguish the obverse dies from each other, but it is recognized that date positioning might fail to identify some obverses. For positive identification of the obverse, the position of the 13 stars on the obverse periphery was recorded. These 13 stars were individually punched into the dies and their positions vary noticeably among the dies. In particular the position of the outside point of each star relative to the denticles was recorded. Each star is recorded as having its outer point extending out toward the space between two denticles, extending out toward the upper edge or lower edge of a denticle or toward the center of a denticle. These star patterns are sufficiently different that a positive identification can be made when there is any question about whether two obverses are identical. Other characteristics such as the position of the stars relative to the bust or the size of the forehead curl are used when they are distinctive for a particular obverse.

Reverse Identification

The central device containing the eagle and the shield outline was sunk into the dies as a single unit and is nearly identical from die to die. In contrast the features around the periphery were punched individually into the dies, creating characteristics that clearly distinguish the individual dies. The letters in UNITED STATES OF AMERICA vary in relation to each other and in relation to the other devices. The position of the denomination 5D varies with respect to the feathered shaft and the olive stem. The leaves in the olive branch vary in position and size and in their relation to the lettering. Some reverses show a berry in the olive branch and others do not. Some reverses show the eagle with a tongue while others do not. In general, there are enough individual die characteristics to identify positively the reverse dies in the series.

Scope of the Study

This study is intended to be a preliminary investigation of the

classic Half Eagle series to obtain a better understanding of the patterns of die usage during this period. I have refrained from numbering the varieties because emission sequences for the varieties have not yet been established and additions to this list of known varieties are bound to occur once the results of this study become available to the numismatic public. Furthermore no complete description of the individual obverse and reverse dies has been included because new distinguishing features continue to be found as the study progresses. It is hoped that the results of this study will be used as a guide for further studies on the series and serve as the foundation for a comprehensive reference work on classic gold coinage.

1834

There are nine known varieties for this date struck from five obverse and four reverse dies. Reported mintage for this date was 657,460 pieces, the largest mintage for any date in the series.¹ Three distinct date styles are known for the five obverses of this date. For the first style the date has a block 8 that resembles two circles resting on top of one another (fig. 1a).² The digit 4 is small with a long crossbar that extends out well beyond the right base of the digit. Two obverses have this date style. One has the digit

1834

1a.



1834

1b.



1834

1c.



1. 1834 Half Eagle Date Styles.

4 nearly touching the curl while the other has a triple-punched 4 that is distant from the curl. The obverse with the triple 4 is very common and has been seen with three different reverses. The triple image of the digit 4 fades through the use of the obverse die but it can be seen clearly on examples of all three varieties. This obverse also has thin letters in the word LIBERTY on the ribbon that runs through the hair.

The second date style for this year has a script 8 with a thick center that runs at a diagonal downward from left to right. I have called this a “fancy 8” (fig. 1b). This style has a large 4 with the crossbar extending out no further than the right base of the digit. The digit 1 is distinctive in that the upper serif rises sharply to a narrow peak, while the digit 3 has a long center spike that nearly touches the top curve of the digit. Two obverses have this date style. One of these obverses has a digit 4 that is very close to the curl and positioned so that it extends out beyond the left edge of the curl. The other obverse of this style has a digit 4 that is distant from the curl and positioned completely under it.

The third date style for this year has a fancy 8 and a large digit 4 with a large crosslet on the right end of the crossbar (fig. 1c). This obverse was used to strike what has come to be known as the “crosslet 4” variety. This distinctive variety is known to be rare and is one of the few die varieties that has been consistently catalogued and identified in auction catalogues over the years.

Four reverses are known for the nine varieties for this year. The key feature in identification of these reverses is the position of the denomination 5D relative to the feathered shaft and the branch stem above. For each reverse the percentage of the 5 under the feathered shaft and the percentage of the D under the branch stem has been recorded. These percentages are subjective figures since there are no straight lines on the devices from which to reference the readings, but the positions are distinctive enough to identify the reverses in most cases. Other reverse keys include recording whether there is a berry within the leaves of the olive branch and whether the eagle has a tongue.

These features are recorded for the four reverses and produce the patterns given in Table 1. The known die pairs for this date are listed at the bottom of the table. Three of the four reverses used in 1834 have also been identified on coins dated 1835. The only reverse not used in later years is the third reverse with the 5 in the denomination completely to the left of the feathered shaft. It is unlikely that this reverse will be found on pieces with later dates, because it was already badly cracked when it appeared with the third marriage of

1834. This reverse goes through a series of die states with a heavy die crack developing through the base of the letters NITED. This crack later extends to the rim over the U and also extends out to the right of the D. At the present time I consider five of the varieties of this date as common; the four others appear scarce to rare, with the relative rarity among the four scarce varieties still undetermined.

Table 1

1834 HALF EAGLES

<i>Obv. Feature</i>	<i>Obverse</i>	<i>Reverse</i>	<i>% of 5 Under Feather</i>	<i>% of D Under Branch</i>
Digit 4 80% under curl; 34 close	1. Fancy 8; digit 4 close to curl	A. No bud; tongue	40%	20%
Thin letters in LIBERTY; block 8	2. Triple cut 4	B. No bud; no tongue	40%	20%
Tall upper serif on digit 1; 34 distant	3. Fancy 8; digit 4 not close to curl	C. Small bud; tongue	0%	10%
Die crack between S6 and S7	4. Block 8; digit 4 just touches curl			
Fancy 8	5. Crosslet 4	D. No bud; no tongue	100%	70%

Known Die Pairs: 1A; 2A; 2B; 2C; 3A; 3B; 3C; 4C; 5D.

1835

There are six known varieties for this date struck from three obverse and five reverse dies. Reported mintage for this date was

371,534 coins. Three distinct date styles are known for the three obverses of this date. The first date style has a block 8 and a short narrow flag on the digit 5 (fig. 2a). The digit 3 also has a short center arc and the digit 1 has a shallow upper serif. The one obverse with this date style dominates specimens of this year. Half of the six known varieties, and nearly 75% of all the coins that I have seen of this date, have this obverse.

The second date style has a block 8 and a long curved flag to the digit 5 (fig. 2b). The digit 1 has a shallow upper serif, while the digit 3 has a long center spike that nearly touches the upper curve of the digit. This obverse appears with only one reverse and this marriage is a rare variety for the year. While this variety is difficult to locate there is a nice example of it in the collection of the ANS and a magnificent proof specimen in the SI. A photograph of this variety is also presented in Walter Breen's encyclopedia.³

The third date style for this year has a fancy 8 and a 5 with a long curved flag (fig. 2c). The digit 1 has an upper serif that rises sharply up to a narrow peak. This obverse has been identified with two different reverses.

Four of the five reverses of this year were used in other years. They can easily be distinguished by the position of the denomination 5D and by noting the presence or absence of a tongue. The third reverse is the only one that was used only for pieces dated 1835

1835

2a.



1835

2b.



1835

2c.



and it is rare. In fact both varieties with this reverse are very difficult to obtain. The reverse is easy to identify because it is the only one used at the Philadelphia Mint on which a leaf comes up very near to the left side of the U in UNITED. All other reverses of this year have both leaves well below the U. A good rarity estimate for this reverse is yet to be determined, but this study indicates that no more than 5% of 1835 Half Eagles would have this reverse.

Table 2
1835 HALF EAGLES

<i>Obv. Feature</i>	<i>Obverse</i>	<i>Reverse</i>	<i>% of 5 Under Feather</i>	<i>% of D Under Branch</i>
Shallow upper serif on 1	1. Small flag on 5; block 8	A. No tongue; no bud	100%	70%
		B. No bud; no tongue	40%	20%
Long center arc on 3	2. Tall 1; block 8	C. Upper leaf not under U	80%	80%
		D. No bud; tongue	40%	20%
Tall upper serif on 1	3. Fancy 8	E. Large bud; no tongue	50%	85%

Known Die Pairs: 1A; 1B; 1C; 2C; 3D; 3E.

1836

There are eight known varieties for this date struck from six obverse and five reverse dies. Reported mintage for this date was 553,147 coins. The obverse dies of this year are difficult to distinguish. Only two date styles have been identified with five of

them having the same date punches. The first date style was used on only one obverse and is known as the small date (fig. 3a). For this style the digit 1 is no taller than the other three digits and it has a shallow upper serif. The digit 3 has a long center spike; there is a block 8.

The second date style also has a block 8 but it has a tall 1 that rises well above the top of the other digits in the date (fig. 3b). There is a difference in date positioning for these five obverses, but they

Table 3

1836 HALF EAGLES

<i>Obv. Feature</i>	<i>Obverse</i>	<i>Reverse</i>	<i>% of 5 Under Feather</i>	<i>% of D Under Branch</i>
Single forehead curl; die crack between S5 and S6	1. Digit 6 right of center under curl	A. Large bud; no tongue	50%	85%
Die crack through S8 through digit 6	2. Digit 6 centered under curl	B. No bud; tongue	40%	20%
Single forehead curl; S13 close to denticles	3. Digit 6 right of center under curl	C. No bud; no tongue	50%	70%
Double forehead curl	4. Digit 6 centered under curl	D. Small bud; no tongue	95%	100%
S13 close to denticles	5. Small 1; small date			
Die crack between 83 Known Die Pairs: 1A; 2A; 2B; 3C; 4C; 4D; 5D; 6E.	6. Tall 1 low in field	E. Small bud; no tongue	100%	100%

1836 3a.

3. 1836 Half Eagle Date Styles.

1836 3b.



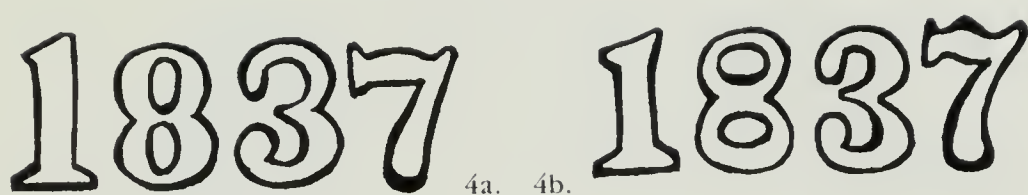
are difficult to distinguish in this way. Interestingly, three of these five obverses have strong die cracks; their development through the life of the die can easily be seen on many of these pieces. The first obverse has a die crack that runs between the fifth and sixth stars from the lower left and continues through the curls on the head. The second obverse has a heavy die crack that runs through the eighth star, down through the bust and through the digit 6 in the date. The sixth obverse has a crack that runs through the bust and down between the digits 8 and 3 in the date. These cracks identify many pieces of this year, but star positioning in reference to the denticles is often used for positive identification when no cracks are visible.

The first two reverses for this year were used in previous years, with the last three used only to strike 1836 Half Eagles. Only pieces with the first obverse have proved to be rare, with the other seven varieties all appearing regularly. The fifth reverse for this year has a distinctive feature in that the left edge of the 5 in the denomination is well to the right of the left edge of the feathered shaft.

1837

There are three known varieties for this year struck from three obverse and three reverse dies. Reported mintage for this date was 207,121 coins, the lowest of the five Philadelphia dates. This date is the rarest of the five Philadelphia issues, and has proven to be more difficult to obtain than the mintage figure would indicate.

The first date style has a block 8 with a tall slender digit 1 (fig. 4a). The digit 7 has a shallow arc over it, and the digit 3 has a short center spike. The two obverses with this date style can be



4. 1837 Half Eagle Date Styles.

Table 4

1837 HALF EAGLES

<i>Obv. Feature</i>	<i>Obverse</i>	<i>Reverse</i>	<i>% of 5 Under Feather</i>	<i>% of D Under Branch</i>
Double forehead curl	1. Block 8; digit 7 right of center under curl	A. Small bud; no tongue	40%	85%
Single forehead curl	2. Block 8; digit 7 centered under curl	B. Large bud; no tongue	50%	70%
Single forehead curl	3. Fancy 8	C. No bud; no tongue	0%	50%

Known Die Pairs: **1A**; **2B**; **3C**.

distinguished by the position of the digit 7 relative to the curl. On one obverse the 7 is centered under the curl while on the other obverse the 7 is positioned further to the right and partially below the gap between the curls.

The second date style for this year has a fancy 8, a small 1 with a shallow upper serif and a 7 with a sharply curved upper edge (fig. 4b). The digit 3 has a long center spike that nearly touches the upper curve of the digit. This variety is known as the small date variety for this year.

The reverses of this year can be identified by the position of the denomination 5D relative to the feathered shaft and the olive branch. The three reverses were used only in 1837, each with only a single obverse die as far as is currently known. All three varieties are scarce but the third variety with the small date is the most difficult of the three to locate.

1838

5a.



1838

5b.

5. 1838 Half Eagle Date Styles.

1838

The last Philadelphia Mint issue in the classic series is known in only two varieties struck from two obverse and two reverse dies. Both obverses for this date have fancy 8s in the date but other date characteristics distinguish them. One obverse has a shallow upper serif on the 1 with the second 8 entirely below the curl. The other obverse has a 1 with an upper serif that rises sharply to a narrow peak and a second 8 that is only 80% below the curl and very close to the digit 3 (fig. 5a).

The two reverses of this date can be distinguished by the position of the D under the olive branch. This date has a reported mintage of 286,588 coins at Philadelphia. This issue is considered scarce but I have not found examples hard to obtain. Neither variety can be classified as scarcer than the other, as they have been observed with about the same frequency. So far as is known, each obverse appears with only one reverse. Neither reverse of this year was used to strike pieces of other years.

1838-C

Coinage of Half Eagles began at the Charlotte branch mint in 1838 and the 1838-C issue is the only classic Half Eagle from this new mint. Mintage for this date is reported to be 17,179 coins, the smallest mintage of any of the classic Half Eagles.

There are two varieties known, both with the same obverse. The one obverse of this date has a different date style from the two

Table 5

1838 HALF EAGLES

<i>Obv. Feature</i>	<i>Obverse</i>	<i>Reverse</i>	<i>% of 5 Under Feather</i>	<i>% of D Under Branch</i>
Second 8 80% below curl	1. Tall top serif on digit 1	A. Middle arrow shaft broken at first talon	20%	70%
Second 8 100% below curl	2. Shallow top serif on digit 1	B. Middle arrow shaft unbroken at first talon	20%	100%

Known Die Pairs: **1A**; **1B**.

Table 6

1838-C HALF EAGLES

<i>Obv. Feature</i>	<i>Obverse</i>	<i>Reverse</i>	<i>% of 5 Under Feather</i>	<i>% of D Under Branch</i>
Second 8 80% below curl	1. Block 8s in date	A. Two leaves under U	40%	80%
		B. Leaf nearly touches U	50%	90%

Known Die Pairs: **1A**; **1B**.

known obverses used at the Philadelphia Mint during this year. This obverse has a tall slender 1 that rises up above the top of the other three digits in the date (fig. 5b). The date also has two block 8s, while both obverses used in Philadelphia have fancy 8s. This distinctive date style would seem to characterize the Charlotte Half Eagles for this year and distinguish the obverse die from all others of this year. The C mint mark appears over the left side of the digit 3 in the date about halfway between the digit and the bust.

Table 7
1838-D HALF EAGLES

<i>Obv. Feature</i>	<i>Obverse</i>	<i>Reverse</i>	<i>% of 5 Under Feather</i>	<i>% of D Under Branch</i>
Date doubled at base Known Die Pair: 1A.	1. Fancy 8s in date	A. No bud; no tongue	30%	100%

The two reverses of this year can be identified by the leaves in relation to the letter U in UNITED. The first reverse has two leaves well below the letter U. The second reverse has one leaf below the U but the other leaf runs up and nearly touches the U along the bottom of the letter. This reverse also develops a strong die break that runs at a diagonal across the reverse from 2 to 8 o'clock. Both varieties are scarce with the first reverse a little more difficult to obtain. The 1838-C must be considered the rarest in the series today, with most examples being well worn. The SI has four beautiful examples of this date, three of these with the second reverse.



1838-C obv.



Philadelphia



Branch Mint

6. Edge reeding

One interesting feature of the Charlotte Half Eagles is the distinctive edge reeding. Examples of the 1838-C Half Eagle have a considerably wider gauge reeding than that used at the Philadelphia Mint during the same year (fig. 6). There are four reeds along the edge of the Philadelphia specimens for every three reeds on a Charlotte coin. The difference is easily observed and adds another distinctive feature when studying genuine Charlotte specimens.

1838-D

Coinage of Half Eagles began at the Dahlonega branch mint in 1838 with the 1838-D being the only classic Half Eagle from the

Table 8

CLASSIC HALF EAGLES, 1834-1838

<i>Date</i>	<i>Mintage</i>	<i>Varieties</i>	<i>Obverses</i>	<i>Reverses</i>	<i>New Reverses</i>
1834	657,460	9	5	4	4
1835	371,534	6	3	5	2
1836	553,147	8	6	5	3
1837	207,121	3	3	3	3
1838	286,588	2	2	2	2
1838-C	17,179	2	1	2	2
1838-D	<u>20,583</u>	<u>1</u>	<u>1</u>	1	<u>1</u>
<i>Totals</i>	2,113,612	31	21		17

new mint. Mintage for this date was reported to be 20,583 coins, the second smallest figure for the classic Half Eagle series. There is only one known variety for this date. The obverse has two fancy 8s in the date with the D mint mark over the left side of the 3 in the date and located about halfway between this digit and the bust. While not usually mentioned in auction descriptions, the date on the obverse has the first three digits doubled at the base with an extra upper serif of the 1 showing along the left side of the upright of the digit. This doubling is clearly visible on high grade specimens but fades with circulation wear and is difficult to see on specimens in grades of VF or lower.

This date is the second rarest in the series, with examples coming up more often than the 1838-C date. The average grade for specimens 1838-D is also much higher than for the Charlotte issue of the same year. There are three beautiful examples of the 1838-D in the SI, the best of these being an MS-63. The edge reeding is also wider on the Dahlonega specimens than on the Philadelphia coins of the same year. The Dahlonega reeding matches that of the Charlotte Mint, and again provides a distinctive feature for authenticating genuine specimens from this early branch mint.

¹ Mintages are cited from R.S. Yeoman, *A Guide Book of United States Coins*, 43rd ed, Ed. Kenneth Bressett (Racine, WI, 1990), p. 189.

² Art work for this article courtesy of Lisa R. McCloskey.

³ *Walter Breen's Encyclopedia of United States and Colonial Proof Coins, 1722–1989*, Rev. Ed. (Wolfeboro, NH, 1989), p. 63.

U.S. Gold Bullion Coins: A Nineteenth-Century Proposal

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Marketing strategies used during recent years have prompted the public to purchase United States government-issued gold bullion coins. The bullion coin concept, however, is not so recent or innovative for the U.S. Treasury. The marketing implication, though, has been that these new gold bullion coins which include an indication of their weight and fineness represent an innovative idea on the part of the U.S. Congress and the Treasury Department. That is to say, the idea of issuing a bullion coin was assumed not to have been explored previously by the United States Government.

In fact, more than 130 years have passed since a similar suggestion was made within the financial circles of the government. In 1852 the United States Mint's seventh Director, George N. Eckert, stated in a letter to James B. Longacre, then Chief Engraver of the Mint, that "several mints are authorized to assay, refine and stamp bullion, with the weight and fineness thereof..."¹ He then directed that a design be prepared for a bullion disk to be bought and sold by financial traders.

In his communication dated September 4, 1852, Director Eckert also referred to a section of the California Branch Mint Bill (Public Law XXV of the Thirty-Second Congress) which had been signed into law on July 3.² Although both men were based in the Mint in Philadelphia, Eckert by formal letter asked that the Chief Engraver begin designs for the obverse and reverse of large disks weighing 50 ounces at .990 of fineness. Eckert instructed, "the size of such a disk will correspond to the model in wood herewith presented. Other pieces of 100 ozs & 200 ozs will be issued if practicable & desirable."³

The Mint Director no doubt was aware of the lengthy Congressional debates regarding the then recently passed legislation. Considering them now may help to understand why a bullion coin was considered at the time. After the introduction of the bill in the Senate on December 5, 1851, and the referral to the House of Representatives on December 15, there had ensued heated discussions both in the Capitol chambers and in the press regarding the California Mint bill. On January 7, 1852, the *New York Daily Times* printed a report of Secretary of the Treasury Thomas Corwin, wherein he reminded members of the Congress that the distance from San Francisco, by way of the Isthmus of Panama and New York to the mint at Philadelphia, is 6,250 miles. He referred to the transportation cost of the precious metals found there as a "burdensome tax" levied upon the mining interests in California. Cautioning the legislators, the Secretary stated that the expenses of the Mint and branches had greatly increased since the accession of California, and would be

augmented further if Congress should decide to establish two additional branches at San Francisco and New York. He continued, "I would therefore suggest...the propriety of authorizing a small seigniorage on the bullion deposited by corporations or individuals for the purpose of covering the actual expenses of coinage, instead of allowing the latter to remain as an exclusive charge upon the Treasury." This, he noted, was the universal practice at all other national mints and the charge was but a mere fraction of a per cent, amounting only to a few cents per ounce.⁴

Congressional debates during the next six months reveal that the Treasury had in mind a charge over and above the cost of assaying the gold. In simple terms they wished to provide for a fee on the actual production of the coinage, a charge for the official government stamp of authority.

Several of the points raised by the Secretary in this report provoked diverse public comments. First of all, the idea that New York might become the site of the nation's chief mint caused violent reaction in Philadelphia. On March 4 a resolution of the Pennsylvania Legislature was laid before the U.S. Senate instructing the Pennsylvania Senators "to vote against or use all honorable exertion to prevent the removal of the Mint from Philadelphia or the establishment of one in New York."⁵ Lengthy rebuttals extolling the virtues of having the mother mint in New York then appeared on the front page of several issues of the *New York Daily Times*.⁶ Likewise, the Secretary's recommendation for the creation of seigniorage caused concern in the national legislature. On June 15 James Brooks, Representative from New York, declared to his fellow members that he felt no more important subject than that of seigniorage could come before the Congress. He defined the term as a right imposed by the old European feudal barons as sovereigns, called seigneurs [*sic*], upon the coinage of their realms. He exclaimed that he could not comprehend why this seigniorage, this relic of feudal times, was to be imposed for the first time upon the American people. He explained that the first bill before the House for consideration would place upon the gold producers a seigniorage charge at the mints. The cost would be determined at the discretion of the Secretary of Treasury but would not exceed one per cent. The second bill which had come from the Senate without one word of discussion there proposed a seigniorage of one half of one per cent upon all gold or silver deposited in the mints, whether coined, or cast into bars or ingots. Mr. Brooks colorfully described his feelings regarding the bills:

To levy a seigniorage, then, on gold and silver now,

...when we are scarce of silver,...is the very error of the moon. A proposition, under existing circumstances, more preposterous, as it seems to me, never came from erring man. My resistance to it springs, not only from the tax it imposes upon the California miner—for in such a case the miner is the man who pays the seigniorage if his gold is coined at home—but because the mischievous act would reach our commerce, our freighting trade at the Isthmus of Panama, our insurance offices, our bullion dealers at home, and send the gold and silver in one continuous, over-whelming stream to the British Mint.⁷

Of course, it was not only the California miner who concerned the Representative from New York. The New York bankers feared that a large portion of the California gold would be driven to European mints and the conversion to American gold coinage would be greatly restricted—and thus their profitable businesses would suffer.⁸

In answer to an inquiry concerning seigniorage from the Chairman of the House Committee on Ways and Means, the Acting Secretary of the Treasury, William L. Hodge, explained the practice of the British Mint. He reported that individuals in England did not present their bullion to the Mint as the assay of old bullion was done by private individuals designated by the bank or the Mint. The charge for such was born by the individuals who requested the service. The Bank of England then purchased the gold prepared for coinage at an advantage of three cents per ounce, equal to about one fifth of one per cent of the value. The bank then paid the Mint for the expense of the production of the coinage.⁹

Since alloying, assaying, and coining of gold is an actual manufacture of a raw material, the Secretary said that he could see no reason why this should be conducted for the benefit of individuals at the expense of the government. If done, he said, like claims could be made by the agriculturist to have his wheat ground into flour”

The Secretary then offered a proposal for handling the current, large amounts of gold at the Mint. Depositors requesting coin bars or ingots would pay less in seigniorage or production cost than if the Mint were to return regular coin to them. The seigniorage charge for ingots of \$50 or \$100 would be less than the equivalent amount in \$20 and \$10 coins. The expense to the government would be substantially less if the ingots were made in denominations of \$500 or \$1,000, or even of larger amounts. The Secretary ventured that probably the depositors would require their bullion to be returned to them from the Treasury in ingots of large denominations. With



1. U.S. Assay Office, \$50, 1852.

the mint stamp the ingots would be as valuable and available as coinage.¹⁰

Obviously, the stamp of the official United States Mint was considered by the Treasury Department and the public as differing from that of an Assay Office. The \$50 issues of the San Francisco Assay Office (fig. 1)¹¹ had been mentioned in Congress as “spurious coinage” and in the press as “cumbrous slugs which had excluded the small coin from circulation and had seriously clogged the transaction of business.”¹²

The Secretary of the Treasury felt that public and private banking institutions would prefer the Mint’s large ingots over coins since they could be retained in vaults as specie capital. In cases of foreign demand the ingots would be more convenient to export.¹³

When passed on June 22, 1852, the California Mint Act specified in Section 8 that individuals might request the Mint or its branches to refine and assay gold lumps or dust and cast it into bars or ingots which would be stamped with value or fineness. Fees for such services were to be determined by the Director of the Mint, under the control of the Secretary of the Treasury.¹⁴ No reference to seigniorage was included in the final law.

Mint Director Eckert, then only recently confirmed by the Senate, was anxious to carry out this law as he understood it. In his September 4, 1852 directive to Longacre he stated that he intended “to recommend to the department the issue of large disks or coins, of a uniform weight and fineness, with such devices and inscriptions (in addition to the mere statement of fineness and weight) as shall be sufficiently protective of the pieces against fraudulent imitation.” He added, “the only inscriptions indispensable appear to be the words ‘Mint of the United States. Philadelphia. 1852. Weight ozs. 50. Fineness 990’.” It is interesting to note that the Director



2. U.S. \$1 gold, 1849.



3. Pattern (Judd 117) U.S. \$20 gold, 1849.

saw no need to include the denomination; he emphasized weight and fineness.¹⁵

Eckert obviously wished to guard against unnecessary postponements. He advised Longacre, "(as it is desirable to avoid



4. James B. Longacre, drawing ("No. 1") for obverse of proposed bullion coin, 1852.

delay in the issue)...you will also oblige me by stating within what time such a design could be executed by you.¹⁶

Longacre had just been through the ordeal of the 1849 gold dollar (fig. 2) and the double eagle (fig. 3) dies. He had survived his battles with former Director Patterson which had jeopardized his tenure at the Mint. Understandably he was hesitant to set an exact time for the execution of the requested designs and dies. He cautiously responded on September 11 that he had not been able to arrive at a satisfactory solution to the problem of preparing a device for the proposed disks which would be "sufficiently protective against fraudulent imitation." He wrote that an easily executed device appeared to be incompatible with the desired security against fraudulent imitation. What is subtracted from a rapidly executed design, he said, necessarily increases the facility of imitation. "Simplicity in the design is not only admissible but desirable, yet this simplicity often makes the largest claim upon the care and skill, and consequently, upon the time of the artist." He then pointed



5. James B. Longacre, drawing ("No. 2") for reverse of proposed bullion coin, 1852.

out other difficulties. The dies would be much larger in the facial area than those used for the regular coinage of the Mint; yet, “the facilities for working them would not admit of any greater actual relief than that of the smaller legal coins....¹⁷

Longacre ventured to suggest a three month requirement for the dies to be completed, but continued to place caveats upon the requirements. He said time was dependent upon risks in experimentation, facilities, and much needed assistance. With this long letter he included four drawings now in the National Numismatic Collection, SI. In the letter, also now in the SI, he described his drawings:

The design marked No. 1 [fig. 4] is proposed as the obverse: its purpose is to express a representation of America, by a female figure, in aboriginal costume, seated, contemplating one of the usual emblems of liberty, elevated on a spear, which she holds in her right hand; her left hand resting on a globe, presenting the western hemisphere. The whole surrounded by a circle of thirteen stars. No. 2 [fig. 5] is designed as the reverse to no. 1. The device, the American eagle with his wings [] (not legible) and with the Federal escutcheon as usual on his breast: encircled by the requisite inscription for the piece. The device for this is more carefully drawn in No. 4.

No. 3 [fig. 6] is a sketch for an obverse of but little ornament, besides the inscription; to be used only in case No. 1 should be considered too elaborate: for this, No. 4 [fig. 7] would be the appropriate reverse.

My own preference would be in favour of the adoption of No. 1 & 2. Yet it is my duty to state that the execution of these will in all probability require considerably more time; than the others.¹⁸

Also in the National Numismatic Collection is an ink drawing (fig. 8) presumably by Longacre, perhaps inspired by Eckert though not mentioned in this letter, which provides a sketch for a bullion piece and which is dated 1852. The designs numbered one and two, however, are of greatest interest at this point.

Director Eckert responded to Longacre on September 22. He stated that he felt Longacre had overrated the dangers of fraudulent imitation and had consequently been led to propose complicated designs difficult to execute. Eckert believed that bullion coins would not be as susceptible to fraud as ordinary coins. He stated, “they will not be used for circulation, in the ordinary sense of the word, but will merely be bought and sold as merchandise by banks,



6. James B. Longacre, drawing ("No. 3") for obverse of proposed bullion coin, 1852.



7. James B. Longacre, drawing ("No. 4") for reverse of proposed bullion coin, 1852.



8. James B. Longacre(?), 1852, drawing for obverse and reverse of proposed bullion coin, 1852.

brokers, and exchange dealers.” Secondly, “such pieces would not be taken simply on the faith of the impression, but would also be weighed and measured...their genuineness would thereby alone be proved...independent of the Mint stamp.” He reiterated, “it appears that a very considerable degree of simplicity is allowable in the devices, and yet these would prove...sufficiently protective against the perpetration of fraud.”¹⁹

He did not convince the Chief Engraver. Within two days Longacre responded that he did not agree with the Director’s prediction for the use of the proposed issue.²⁰ More than a century later it is interesting to note how closely Eckert’s thoughts about the function of bullion coins correspond to current commercial practices.

By January 1853, the office of the Secretary of the Treasury in Washington responded to the Mint Director’s recommendation. The departmental suggestion relative to the issue of ingots of refined gold was made in a letter dated January 24, 1853. A letter from Eckert dated December 29 was acknowledged in the Treasury’s answer as was the receipt of “the accompanying disk in silver of the proposed issue...” Treasury asked “whether it would not be more convenient for the intended purpose if the ingot was issued of the exact value of one thousand dollars instead of the specific weight of 50 ounces.” They added that if the Director objected, he had approval to proceed. The silver pattern was said to be returned to Philadelphia with the department’s communication.²¹

On January 27, Director Eckert, writing to Secretary Corwin, said he had already considered the suggestion that the issue should be of the value of exactly \$1,000, but the difficulties of such appeared insurmountable or, at least, in need of legislation. “The law, in explaining what gold is equivalent to a dollar, prescribes certain proportions, viz. 9 parts gold, one part alloy of which the silver must not exceed one half. But if the gold is in any different proportion we are not, as I think, entitled to say what it is worth.” He then speculated that if the .990 fine disk contained the same amount of fine gold as \$1,000 in coin, and if it should be returned to the Mint for coinage, it would be necessary to alloy it with copper down to .900 fine. By so doing, the depositor would be charged the expense of the copper used, and therefore, the value would not be worth \$1,000. To avoid such difficulties, he argued that the only mint stamp should be fineness and weight. Again prophetic, he wrote, “Indeed, I suppose that value will be fluctuating, dependent on the demands of the market.”²²

By February 1853, the correspondence between Eckert and Longacre no longer contained references to gold bullion. Rather,



9. U.S. \$3 gold, 1854.



10. James B. Longacre, detail of drawing No. 1 for reverse of proposed bullion coin, 1852.

concerns over silver coin designs seemed all consuming. The following month Eckert resigned his post and by June his successor, Thomas Pettit, had died in office. As if all of this were not enough to make matters at the Mint hectic, the \$3 gold coin was authorized by Congress on February 21, 1853.

Longacre was asked to create a design for this new gold \$3 coin (fig. 9). The representation of America in aboriginal costume (fig. 10) to which he had made reference in his September 11 letter of the previous year surfaced again. The portrait proposed for the 1854 \$3 coin was conceptually an enlargement of the head detail of the seated Indian Princess with feathered headdress which he had suggested earlier for the bullion gold. Longacre could not forget his beauty. Later, when verbalizing his feelings, he wrote, "the feathered tiara is a characteristic of the primitiveness of our hemisphere...In regard then this emblem of America is a proper and well defined portion of our national inheritance...."²³ Indeed, his Indian head cent of 1859 became just such a symbol.

The thought that the design for the \$3 gold coin had sprung full-blown from Longacre's original ideas without change or modification is not entirely correct. The concept obviously had been brewing in his mind for a number of years. The change from a full length, seated figure to a portrait was an adjustment of necessity. The artistic philosophy of the \$3 coin portrait may be traced to the earlier design for the bullion disk.

It is not unusual to find that designs develop in the mind of the artist and then reappear in various renderings throughout a career.



11. Pattern (Judd 1014) U.S. \$1 silver, 1870.

The idea that the concept for the \$3 feathered portrait of 1854, or for that matter the Indian head cent of 1859, quickly came into existence, unformed and untested in the mind of the artist, is naive. Longacre felt a need to present his own personification of America and he revived the idea whenever the occasion warranted. He appreciated its meaning as did others of a later time. Even after his death, the design was again proposed—as the obverse design on patterns of the 1870s (fig. 11).

The engraver's designs did not disappear; nor was Eckert's vision of a large denomination bullion coin buried forever. There were later attempts made on behalf of the western states to authorize a large denomination gold coin. Legislation for a \$50 coin was passed by the U.S. Senate in 1854 but the bill died in the House of Representatives. The idea surfaced again with the 1877 patterns for a gold \$50 coin (fig. 12). Both the coin proposed by the 1854 legislation and the later 1877 patterns included an indication of denomination not weight and fineness. The same indication occurred with the is-



12. Pattern (Judd 1546) U.S. \$50 gold, 1877.



13. U.S. Panama-Pacific Exposition commemorative \$50 gold, San Francisco, 1915.

suance of the \$50 Panama Pacific commemorative of 1915 (fig. 13). Experiments with commercial, international, goloid, and metric coinage in the 1870s and 1880s included an indication of weight and fineness; but the theory for each differed from that of Eckert. The concept involved the metallic content of coinage or the establishment of an international monetary exchange, not of bullion value.

In the 1980s the bullion coin idea surfaced again in the Congress and the Treasury Department (fig. 14). Political circumstances permitted a reevaluation of the differences inherent in bullion and regular coinage. Eckert's prediction that origin, weight, and fineness were indispensable indications on bullion coins may now be fully



14. U.S. 1 oz. \$50 gold bullion coin.

¹ George N. Eckert to James B. Longacre, Sept. 4, 1852. National Archives, Record Group 104, Records of the Philadelphia Mint, "General Correspondence."

understood. His thoughts that they would not be used for circulation but would be bought and sold as merchandise by banks, brokers, and exchange dealers has been demonstrated.

The success of the Mint's bullion gold program of 1986 is almost legend. Time will tell if the success continues. In 1852 the bullion coin was only an idea ahead of its time. What is yet to be discovered, however, is the fate of "the silver disk" mentioned in the Treasury Department's January 1853 correspondence.

¹ George N. Eckert to James B. Longacre, Sept. 4, 1852. National Archives, Record Group 104, Records of the Philadelphia Mint, "General Correspondence."

² *The Congressional Globe*, vol. 24, part 3, Public Acts of the Thirty-Second Congress (1851-1852), p. iv.

³ Eckert to Longacre, Sept. 4, 1852 (see above, n. 1).

⁴ "Report of the Secretary of the Treasury," *New York Daily Times*, Jan. 7, 1852, p. 1.

⁵ *New York Daily Times*, Mar. 5, 1852, p. 1.

⁶ *New York Daily Times*, Mar. 19, 1852, p. 1; Mar. 31, 1852, p. 1.

⁷ *The Congressional Globe*, vol. 24, part 2, pp. 1581-82.

⁸ *The Congressional Globe* (above, n. 7), p. 1583.

⁹ Hodge to the Honorable George S. Houston, Chairman, Committee Ways and Means, U.S. House of Representatives, June 17, 1852. Cited from *The Congressional Globe* (above, n.7), p. 1596.

¹⁰ *The Congressional Globe* (above, n. 9).

¹¹ All illustrations are from the National Numismatic Collection, National Museum of American History, Smithsonian Institution (SI).

¹² *The Congressional Globe* (above, n. 7), p. 1598; *New York Daily News*, Jan. 6, 1852, p. 2.

¹³ Hodge to Houston, June 17, 1852. Cited from *The Congressional Globe*, vol. 24, part 2, p. 1597.

¹⁴ *The Congressional Globe*, vol. 24, part 3, p. iv.

¹⁵ Eckert to Longacre, Sept. 4, 1852 (above, n. 1).

- ¹⁶ Eckert to Longacre, Sept. 4, 1852 (above, n. 1).
- ¹⁷ Longacre to Eckert, Sept. 11, 1852. National Numismatic Collection, SI.
- ¹⁸ Longacre to Eckert, Sept. 11, 1852 (above, n. 17).
- ¹⁹ Eckert to Longacre, Sept. 22, 1852. National Archives, Record Group 104, Records of the Philadelphia Mint, "General Correspondence."
- ²⁰ Longacre to Eckert, Sept. 24, 1852. National Archives, Record Group 104, Records of the Philadelphia Mint, "General Correspondence."
- ²¹ Hodge to Eckert, Jan. 24, 1853. National Archives, Record Group 104, Records of the Philadelphia Mint, "General Correspondence."
- ²² Eckert to Thomas Corwin, Secretary of the Treasury, Jan. 27, 1853. National Archives, Record Group 104, Records of the Philadelphia Mint, "General Correspondence."
- ²³ Q. David Bowers, *United States Gold Coins* (Los Angeles, CA, 1982), p. 223.

Metallic Panaceas: Gold Bugs, Silver Crusaders, and the Wizard of Oz

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These days we are used to being able to pay for a loaf of bread with paper dollars or pocket change—without being charged different prices according to what we pay in; or to take out a loan one day and pay it back in a month or a year without having to worry that for the “greenbacks” we borrowed we might have to repay at face value in gold coins costing far more greenbacks. Few realize how hard-won was this privilege.

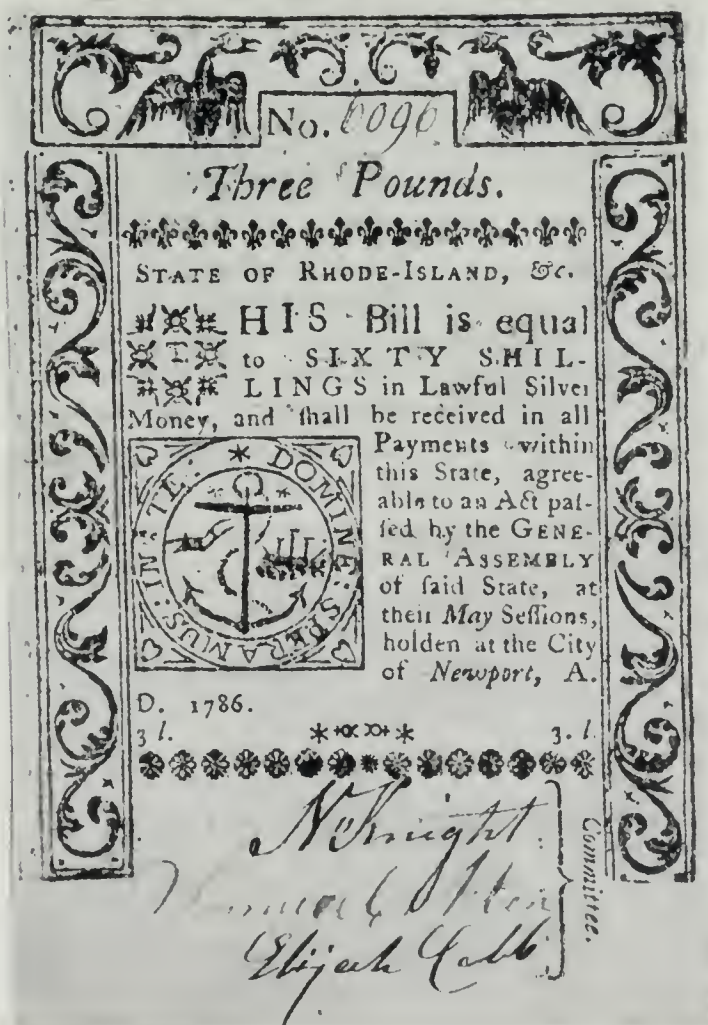
A century ago it did not exist. It did not exist partly because nobody knew how to make it happen, partly because many actively opposed it. Those who sought it (the “international bimetallists” and the “free silver” crusaders) represented themselves as advocates of honest debtors (the working poor), but were actually—even if unknowingly—subversive instead the interests of wealthy western silver mine owners. Those who opposed it (the “gold bugs” or gold standard apologists) represented themselves as advocates of honest creditors and entrepreneurs. Many had even grown wealthy from the shifting exchange rates between paper money and silver dollars and gold of the same denominations, or from owning gold mines. Both sides touted their preferred coinage metal as a panacea for the nation’s economic woes.

But no matter which side was ahead at any given time, they were playing a zero-sum game: their backers’ gain was others’ loss, and they wanted to keep it that way. Each side’s rhetoric was obfuscatory; even generations later, it has not been easy to tell who were the villains, who the misguided idealists, who the heroes if any. And among the byproducts of their political battles are some of the extreme rarities in American gold coinage—rarities because political factors kept issues limited, or contributed to their disappearance. In their own day, the 1879–80 Stellas and 1879 Metric Double Eagles were “VIP” samples of a diplomat’s bizarre proposal for an international coinage that would supposedly end the rivalry of gold and silver (whereas the only real way to do that was somehow to stabilize falling silver prices); today, they are among the most coveted of all numismatic souvenirs of official folly.

This political zero-sum game, this joust between the knights of gold and silver (as Trumbull White called it), was not the intent of the Founding Fathers.¹ When Alexander Hamilton devised our national decimal monetary system, he preferred a gold standard as more stable than a bimetallic standard. Gold, as Hamilton believed, was less rapidly and less drastically affected than silver in price or purchasing power by fluctuations in supply: “As long as gold, either from its intrinsic superiority as a metal [i.e. immunity to corrosion], from its rarity, or from the prejudices of mankind, retains so con-

siderable a pre-eminence in value over silver as it has hitherto had, a natural consequence of this seems to be that its condition will be more stationary. The revolutions, therefore, which may take place in the comparative value of gold and silver will be changes in the state of the latter rather than that of the former.”² A century later, J.L. Laughlin was still convinced: “Increase the production of gold enormously, and it is eagerly absorbed, and so does not undergo much depreciation.”³

Nevertheless, because in Hamilton’s day gold was in short supply while Latin American silver was increasingly plentiful, he adopted a bimetallic system as most likely to insure enough specie to run the country: the alternative everyone feared was fiat money, unbacked paper currency, “not worth a Continental,” false promises to pay in specie, like the Rhode Island Bills of Credit notes of 1710–86 (fig. 1).



Hamilton's policy could not prevent eventual coin shortages, and the answers included copper tokens and paper. What the states could not legally do, the private sector eventually did, and myriads of types of bank notes passed at discounts if at all, just like their Colonial ancestors. (One wonders if today's advocates of privatizing paper money are even aware of its dismal history.) Many historians, following Sen. Thomas Hart Benton, blamed both the proliferation of paper and the mass melting of gold until mid-1834 on Hamilton's miscalculation of the ratio of gold to silver as 15:1, without explaining what that meant or why.

What it meant was that, following Hamilton's "Report," the Mint Act of 1792 set weight standards for coinage so that a \$10 piece would contain 270 gr of gold $11/12$ fine = 247.5 gr pure gold, while \$10 in federal silver dollars would contain 15 times that weight of pure silver = 3712.5 gr. Sen. Benton thought Hamilton wanted to drive gold out of circulation; evidently Benton had not done his homework. Hamilton's figure in fact agreed with Jefferson's and that in the "Report of the Grand Committee of Continental Congress" (1785), which gave the ratio in France as 15:1, in England 15.2:1, in Spain 16:1. In 1792, the ratio difference was not enough to cause trouble had the Mint become able to make gold coins. What neither Hamilton had anticipated nor Benton recalled was the Reign of Terror (fig. 2).

In 1793, the French Republic under the Terror raised the weight of the Ecu de 6 Livres from 29.488 gm to 30 gm, its precious metal content from 0.8695 to 0.8836 oz pure silver, while setting the gold 24 livres at 7.6 gm containing 0.2199 oz pure gold. This meant 24 livres in silver would contain 3.5344 oz pure silver, for a ratio of 16.07:1. By July 1795, when the Philadelphia Mint began deliver-



2. Republic of France, gold 24 Livres, 1793; silver 6 Livres, 1793.

ing Half Eagles, each ounce of gold, legally worth 15 oz of silver in Philadelphia, would bring 15.5 oz in Paris. Bullion dealers and money brokers (foreign exchange specialists) promptly began buying federal gold coins in quantity at par (probably in Mexican silver, which was legal tender) and shipping them to Paris at a premium.⁴ Whether from limited mintage or high meltage, early U.S. gold rarities are byproducts of Gresham's Law.

Forgetting the mint's public relations function as a gesture of national sovereignty (it was then under the State Department, not the Treasury), Laughlin even called the mint in its earliest days a failure at keeping the country supplied with small change, "a useless expense to the nation, but a source of profit to the money-brokers." Under the mint's original "free coinage" policy (no seignorage charged against gold or silver bullion depositors) "the possessor of either metal has two places where he can dispose of it—the United States Mint, and the bullion market; he can either have it coined and receive in new coins the legal equivalent for it, or sell it as a commodity at a given price per ounce. If he finds that silver in the form of U.S. coins buys more gold than he could purchase with the same amount of silver in the bullion market, he sends his silver to the Mint to be coined rather than to the bullion market...Having now received an ounce of gold in coin for his 15 oz. of silver coin, he can at once sell the gold as bullion (most probably melting it, or selling it to exporters) for 16 oz. of silver bullion. He retains one oz. of silver as profit, and with the remaining 15 oz. goes to the Mint for more silver coins, exchanges these for more gold coins, sells the gold as bullion again for silver, and continues this round until gold coins have disappeared from circulation... The existence of a profit in selling gold coins as bullion, and presenting silver to be coined at the Mint, is due to the divergence of the market from the legal ratio, and no power of the Government can prevent one metal from going out of circulation."⁵

Had the brokers and bullion dealers suspected that they were creating instant rarities, they might have squirreled away a few more for their grandchildren; as it was, some evidently did, which explains why proportionately more survive of some low mintages than of neighboring higher ones. Obvious examples include 1815 Half Eagles and 1798 Eagles.

In the long run, the brokers' and bullion dealers' efforts were primarily responsible for destroying over 98% of early American gold. When people said that gold vanished by about 1812, they were not exaggerating. Ballpark figures for survivors speak loud and clear:

Quarter Eagles: 1796, over 4% of the original mintage

survives (saved as first of their kind); 1797–1833, mostly 1-2%; 1834 Motto, 0.3% (mostly melted, possibly only a few released to mint officials' friends).

Half Eagles: 1795, over 3% (saved as first of their kind); 1796–1813, about 0.5-2%; 1814, possibly 0.2% (more if some coins issued that year were dated 1813); 1815, 2% (mostly uncirculated, saved as a seldom-seen date); 1818–33, mostly below 0.1%, some dates as low as 0.02%; 1834 Motto, slightly over 0.1% (saved as last of their kind).

Eagles: 1795, nearly 3% (saved as first of their kind); 1798, about 2% (mostly in high grades, saved as a seldom-seen date); others 1796–1803, about 0.5-2%; 1804, slightly over 1%.

In all three denominations, uncertainties in survival proportions arise from uncertainties in mintage figures, which in turn arise from unknown quantities of backdated coins.

Why the "endless chain" could continue long after Napoleon restored the 15.5:1 ratio in L'An XI (1803) coinage, why U.S. gold continued to vanish, was not anyone's miscalculation; rather the enormous influx of Latin American silver, which had already begun by 1790 to command lower and lower per-ounce prices in terms of gold, raised (the same thing) the price of gold bullion in terms of silver until gold coins became worth over face. Even if Hamilton had made the ratio match Spain's 16:1, gold coins would still have become worth over face in silver by 1813, when the ratio reached 16.25:1.⁶

Far from trying to drive gold out of circulation, Hamilton wanted to keep it there for larger transactions, while reserving silver for smaller ones. As Laughlin points out,⁷ the U.S. adopted bimetallism without prejudice, and its failures were not from sabotage but from economic factors nobody could have foreseen.

Though the Mint Act of June 28, 1834, finally insured that gold would circulate as coin rather than be melted for export, neither this Act nor that of 1837 guaranteed an adequate supply of small change. (Quarter eagles did not qualify as such: each one corresponded to about \$50 in purchasing power today.) What circulated instead, then even as decades later, was worn, underweight, mutilated and/or counterfeit foreign silver (primarily Latin American fractions), various kinds of coppers, and, especially after 1837, paper from the private sector: private scrip and bank notes which might be spendable for a discount from face if one was lucky—or be refused

everywhere if one wasn't. Arguing that the 1834 Act made debts solvable with 6% less gold than had been due, therefore subjecting all creditors to a corresponding loss, the Supreme Court in 1871 went so far as to denounce the Act as a violation of the Fifth Amendment, as seizing private property for public use without just compensation.⁸

Paper money had long been a traditional device for financing wars: nominally promises to pay in gold or silver x years after issue, or after the war was won. No matter that Washington's troops defeated the redcoats, the United Colonies lost the economic war with Britain, so that "not worth a Continental" became a catch phrase for over a century, and the Constitution explicitly forbade states to issue bills of credit or to make "anything but gold or silver" (i.e. paper) a legal tender. Though the U.S. won the War of 1812, its small Treasury Notes of February 24, 1815, didn't help the coin shortage. Federal gold coins were still going to melting pots overseas, while half dollars mostly stayed in bank vaults. The small Treasury notes were promptly bought up by fat cats who turned them in for bonds paying 7%. Nor did the later larger Treasury notes help. Those that bore the least interest went back to the Treasury in tax payments; the others were redeemed at maturity. Issued yearly during the Hard Times (1837–43) because the Treasury was nearly broke, and in 1846–47 to help finance the Mexican War, and in 1858–60 again because the Treasury was strapped, they were in denominations of \$50, \$100, \$500, \$1,000, and up. Even aside from the interest these notes earned, \$50 then corresponded to nearly 2-1/2 oz pure gold, with roughly the purchasing power of \$1,000 today (fig. 3).



3. Treasury Note, Act of 10/12/37. \$50 (Hessler X99A; reproduced from Hessler, *U.S. Loans*, p. 122, reduced).



4. U.S. Legal Tender Note, \$1, 1862 (reduced).

The problem became especially acute in 1861. The Union government's desperate expedients produced long-term effects on gold and silver coinage, unintentionally creating constitutional issues, hardships, and rarities in both metals. Salmon P. Chase, the lawyer Lincoln appointed to finance the Civil War, did so by proliferating fiscal paper in unprecedented quantities: bonds, interest-bearing notes, non-interest-bearing notes, legal tender notes (greenbacks). He tried to extract \$150 million in gold from Philadelphia, New York, and Boston banks for the bonds they bought, but they could not comply, agreeing only to installment payments. His most successful effort was arguably the National Bank Note system: bonds issued under the Act of March 3, 1863, carried a circulation privilege whereby banks could issue NBNs by depositing 90% of face in bonds.

Where Chase's tactics made long-term trouble was legal tender notes (fig. 4). Issuing them meant deciding that Article I, Section 10 of the Constitution applied only to individual states, not to the federal government: "No state shall...make anything but gold and silver a legal tender in payment of debts." As Henry Kissinger put it, "the illegal we do immediately; the unconstitutional takes a little longer."

Legal tender means a form of money that a seller or creditor must accept if offered as payment; if paper is made legal tender, the creditor who lent it cannot legally demand repayment in silver (let alone gold) at face value, nor can the seller refuse such paper in payments for his merchandise. (Imagine today borrowing \$100 in federal paper money only to learn on the due date that your lender demands \$100 face value in silver, plus interest in silver, and will refuse payment in the same kind of federal paper he had lent.)

After the Civil War, creditors began test cases of the issue: how can fiat paper money be legal tender under the Constitution? The

Supreme Court waffled forth and back for years. The underlying agenda: wealthy lenders wanted to retain the privilege of lending greenbacks and demanding payments and interest in gold at face value, knowing that the gold would buy more than its face value in paper, when it could be had at all—greenbacks had driven gold out of circulation, creating more rarities. In 1866, for a \$10 greenback one received only \$6.60 in gold; in 1875, still only \$8.70. The creditors feared “cheap money” and “scaling debts”: specifically, that dishonest debtors would repay at face value in discounted greenbacks, or after 1876 in silver coins which had cost maybe 60% of face value in greenbacks; they believed that debtors were not honest working people but unwise land speculators. The debtors feared “dear money”: specifically, that creditors who had lent them discounted greenbacks (or, later, silver) would demand repayment at face in gold which might cost nearly double face value in greenbacks or silver; they believed that creditors were not honest entrepreneurs but speculators and market manipulators. The term usury became common in street talk and editorials; the issue even contributed to anti-Semitism.⁹

“Here I hold up to view the fraud of the system; how increase in the value of money robs debtors. It forces every one of them to pay more than he covenanted to pay, not more dollars but more value, the given number of dollars embodying greater value at the date of payment than at date of contract. In these days debtors must struggle hard to be able to pay what they honestly owe. A money system which forces them to pay from 10 to 50% blood money is devilish indeed.”¹⁰

This kind of creditor unfairness was legal so long as the Supreme Court did not rule definitively that Salmon P. Chase’s greenbacks were legal tender no matter what the Constitution said. And the issue made many lenders very wealthy, many more borrowers poorer. One does not have to be a Marxist to recognize that this led to social unrest.

First the gold vs. greenbacks issue, then (after the 1873–77 depression and the Specie Resumption Act) the gold vs. silver payments issue, produced opposing ideologies—belief systems with much in common with religious cults, intolerant of doubt or deviation, defended with moral arguments, total passion, and total misunderstanding. The gold/silver rivalry dominated presidential campaigns from 1876 to 1900, climaxing in 1892 and 1896, by which time everyone had taken sides. Richard Hofstadter called it “money mania.”¹¹

On the comparison with religions, recall what Senator Henry

Fountain Ashurst, Democrat of Oregon, told Treasury Secretary Morgenthau: "My boy, I was brought up from my mother's knee on silver, and I can't discuss that with you any more than you can discuss your religion with me." Hofstadter comments: "On the moral side, the defenders of the gold standard often seem as dogmatically sealed within their own premisses as the most wild-eyed silver men, and usually less generous in their social sympathies. The right-thinking statesmanship of the era, like its right-thinking economics, was so locked in its own orthodoxy that it was incapable of coming to terms in a constructive way with lasting and pervasive social grievances. The social philosophy of J. Laurence Laughlin and the statecraft of Grover Cleveland cannot, in this respect, command our admiration. They accepted as 'natural' a stark, long-range price deflation, identified the interests of creditors with true morality, and looked upon any attempts to remedy the appreciation of debt as unnatural and dishonest, as a simple repudiation of sacred obligations."¹³ Laughlin, debating with "Coin" Harvey, denounced the silver ideology as "an attempt to transfer from the great mass of the community who have been provident, industrious, and successful, a portion of their savings and gains into the pockets of those who have been idle, extravagant, or unfortunate."¹³ Even Allan Nevins, who admired Cleveland's defense of the gold standard, said that "our history presents few spectacles more ironic than that of our Eastern creditors taunting [debtor farmers] with dishonesty while insisting on being repaid in a dollar far more valuable than had been lent."¹⁴

The disease was falling prices, falling real wages, falling purchasing power of the silver in which one was paid. Harder work and savings were not paying off; the working poor were in fact becoming poorer, the rich richer as their gold kept rising in purchasing power.

The cause of the disease, even as 60 years earlier, was oversupply of silver. Not merely the output of western mines, but U.S. silver coins of 1853–62 returning in 1877 from Latin America where they had circulated during and after the Civil War.¹⁵ Compared to gold, the price of silver continued to fall no matter what financiers or governments did, no matter how many tons of silver the Mint Bureau had to buy from western mine owners to make Morgan dollars.

Among those who did not understand the cause, conspiracy theories abounded, even forming part of the Populist party platform in 1892. Their villains were largely London bankers and any other bondholders and speculators who might gain from damaging the U.S. as a competitor. This fit only too well the agenda of nativist



5. Jim Fisk, I. (Union Club Library Collection, New York, reproduced from John Steele Gordon, *The Scarlet Woman of Wall Street* [New York, 1988], p. 132); Jay Gould, r. (reproduced from *Harper's New Monthly Magazine*, Nov. 1885, p. 852).

and isolationist ideologues, for whom Anglophobia was a way of life; one was either for them or one was for the Enemy.¹⁶

It became harder to dismiss conspiracy theories after the actual 1869 conspiracy of Jay Gould and Jim Fisk (fig. 5), who tried to corner the gold market and almost succeeded. Two years earlier, they had escaped to New Jersey with \$6 million cash from printing and selling counterfeit Erie Railroad stocks. Gould bribed the New York legislature to legalize the fake stocks, and with his \$23 million profit he bought the Union Pacific Railroad, the New York Elevated Railroad, and Western Union. Gould and Fisk then tried to buy up the entire \$15 million of gold coins then in circulation, after which they could raise gold prices as high as they chose. They almost made it, but President Grant ordered the Treasury to start selling federal gold in bullion markets. Some of Gould's Administration spies (including Grant's brother-in-law) leaked news of this decision. By the time Grant's action ("Black Friday," September 24) lowered gold prices, Gould had cleared \$11 million profit, with chaotic effects on world markets.¹⁷

Doubtless this real-life example was in the mind of such free silver paladins as William Hope Harvey, when they kept reminding everyone that the entire quantity of circulating gold could fit in a 22-foot cube: though Gould and Fisk had lost, others might win.¹⁸

Something had to be done. Those who spoke for all sides thought the answer was pressuring Congress to enact laws to cure the symptoms, the cure differing along party lines. On the left, radical Populist free silver (with 40% of the votes in the Congressional election of 1894); in the center, liberal Democratic international bimetallists; on the right, conservative Republican gold bugs. These alignments set the rich older generation against the struggling young; east coast financiers against western farmers; capital and management against labor; and creditors against debtors.¹⁹

To understand the alignments and the arguments one needs to recall some features of nineteenth century monetary theory, based on the notion that money meant precious metal by weight, and that fiscal paper ultimately represented promises to pay in precious metal.

Laughlin gives three major functions for money, of which only the third is strictly relevant to the 1876–1900 bimetallism issue. Money, for Laughlin, serves 1) to *transfer* value; or 2) to *compare* value (as a common denominator more efficient than barter); or 3) “as a standard of deferred payments.” Especially in senses 2) and 3), the value of anything (including gold or silver) is a ratio, unstable, changing as either numerator or denominator changes, whether you price silver in terms of gold or vice versa, or dollars in terms of marks or vice versa. Then, nearly everyone believed the ratio had been stable in earlier generations before unwise governments and ungodly financiers tampered with it. Today we know that stability is a Golden Age illusion, that fluctuations have been chaotic all along, and that when an extraordinary increase occurs in silver, gold or another high-demand commodity, the effects are faster and wider fluctuations; and in storm-tossed tides of shifting prices, buyers and sellers alike can drown.²⁰

Bimetallism’s chief aim was ostensibly “to secure, as its advocates claim, a less changeable standard for paying long [installment] contracts, and to accomplish this, an international league is indispensable to even a shadow of success” (as Hamilton had recognized a century earlier). Departing for once from the standard gold bug line, Laughlin said “the highest justice is rendered by the state when it exacts from the debtor at the end of a contract the same *purchasing power* which the creditor gave him at the beginning of the contract, no less, no more.”²¹ But note that he ignored shifting interest rates.

Bimetallism of the more radical or free silver variety (the only kind with which the U.S. ever experimented) was always vulnerable to foreign ratio changes, to bullion speculation, to other market

manipulation, and to new discoveries of either metal, historically silver being more affected than gold by this last. Unstable gold/silver ratios were always dangerous, though effects were cumulative over years, so that many did not recognize the connection between an 0.25% shift in the ratio and a lowering of real wages in factories a few months or years later; or between the issue of coin notes mandated by the 1890 Sherman Act and the Panic of 1893.

Free silver was always an oxymoron; its real name was unilateral national bimetallism, meaning reversion to the Mint's 1795–1834 policy but with slightly lighter silver dollars. Free silver actually meant the legal right of any private owner of silver bullion to take it to one of the mints and have it made into coins without paying high seignorage. "Through it alone can Gresham's Law have an immediate effect." It was the law of the land until 1853. Free silver champions, notably Harvey, insisted that the U.S. should return to the old policy no matter what other countries might do: a position near to isolationism. Advocates less rational than Harvey insisted that God created the gold/silver ratio and that humans disturb it only at peril.²²

Possibly the later developments can be understood most easily by focusing on a few crucial events and on how stupidity on gold and silver sides led to catastrophe in 1873–77 and again in 1893–96. A full treatment of the problems would be book length.

Though the Comstock Lode and its 1870s near kin were short-term local benefits, they were long-term national disasters. Their eventual effects on silver prices expressed in gold were similar to those of the Latin American mints 80 years before. Their discoverers fared no better than John Marshall at Sutter's Mill; cheated out of their claims, they died poor. The more silver the Nevada bonanzas produced, the less it was worth per ounce, the more the New York financiers' gold holdings rose in purchasing power, and the more desperate the farmers whose cotton and wheat sold for less and less in purchasing power. More than Bryan realized, more than McKinley cared, more than either of them could have understood, nearly any circulated common U.S. gold coin ca. 1879–1900, if it could talk, could tell stories of agony about the ones who had to spend it rather than stash it. The uncirculated ones spent most of their time in financiers' vaults, as silver dollars did in the Treasury.

Not coincidentally, in 1871, the German Empire adopted the gold standard, using the \$1 billion in gold extorted from France after the Franco-Prussian War (equivalent today to \$20 billion). Sen. George Graham Vest, Democrat of Missouri, arguing against the Sherman Act, said the Empire went to gold because Britain had prospered

from it since 1844.²³ Germany dumped thousands of tons of silver on the market. Prices of silver began falling in terms of gold; prices of gold began rising. Some silver advocates blamed German silver sales for the depression of 1873–77; though not the whole cause, German policies certainly contributed to it.²⁴

By omitting the old-tenor silver dollar, the Mint Act of 1873 automatically defined the coinage unit as gold and made all silver coins subsidiary, their face value enough above bullion value to keep them in circulation rather than melting pots. Contrary to how partisans interpreted the Act's name of "Crime of '73," its real crime was in making trade dollars legal tender.²⁵ Silver crusaders wrongly blamed the Act for the Panic of '73, beginning September 18, when "the leading American banking company, managed by government agent Jay Cooke, suddenly declared bankruptcy." By September 30, the New York Stock Exchange closed; by December 31, 5,183 businesses (then worth over \$200 million) failed. Other causes contributed, notably the Great Epizootic of September 1872, a mosquito-borne virus which that fall and winter killed some 4 million horses in many of the nation's largest cities, stopping deliveries of mail, goods, and funds, public transit, garbage collection, and firefighting—leaving many homeless after the fires.²⁶

In July 1876, the value of silver collapsed. Trade dollars, though demonetized by joint resolution of Congress on July 22, came back in immense quantities to California. During 1877–78, over 8.6 million of them circulated in the east. Employers bought them in quantity at bullion value (80–83¢ each) and put them into pay envelopes at \$1 each; company stores raised prices accordingly, or else would accept them only at bullion value. Many petitions reached Congress asking for recall of trade dollars; others sought restoration of their legal tender status.²⁷

Meanwhile the Act of February 28, 1878, mandated monthly Mint Bureau purchases of \$2–\$4 million in domestic silver bullion for coinage only into silver dollars, pleasing nobody but the mine owners. Three of President Hayes's main reasons for vetoing the bill amounted to this: by making silver dollars receivable for duties, U.S. gold revenues would be cut off, and the Treasury would not be able to fulfill commitments to bondholders, i.e. pay them off in gold as promised.²⁸ Nevertheless, Congress passed it over his veto. Carothers justly characterized this Act as "a wretched compromise, without a single redeeming feature, carrying with it the dangers of a wrong-ratio bimetallism without establishing the double standard. By it the silver mine owners were bought off with a large market for silver, the bimetallists were deceived with fictitious restoration

of the double standard, and the gold standard advocates were so-laced with a last minute rescue of the gold standard when it appeared to be doomed.”²⁹

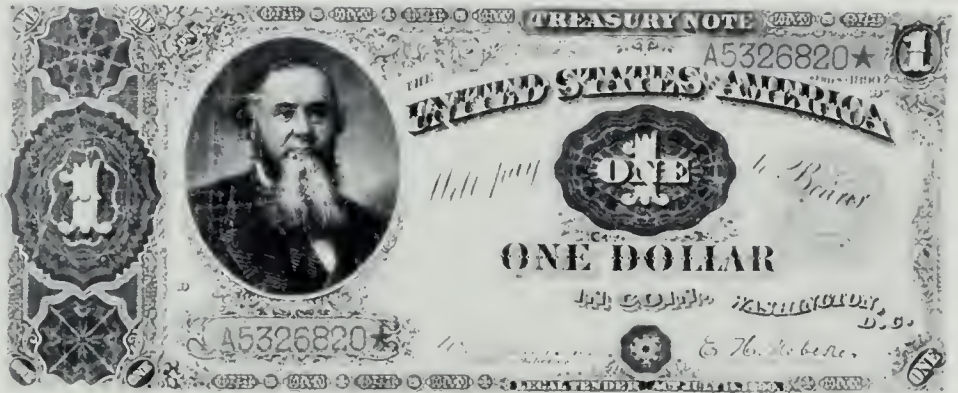
In 1878–79, Hon. John Adam Kasson (then Minister to Austria-Hungary) proposed that the Mint use one or another version of Wheeler W. Hubbell’s goloid alloys to make coins intended for international circulation; goloid and goloid metric dollars; Stellas; and metric Double Eagles (fig. 6). Supposedly the goloid (silver with about 4% gold) and metric gold (containing 10% silver) would end the rivalry. How could such coinage proposals ever have had more than symbolic effects? How could anyone ever have imagined they could affect falling silver prices and rising gold prices? Nevertheless the Mint made the sample coins, and a congressional committee reported favorably on the proposal, but no authorizing act followed. The dollars went to collectors; the Stellas to congressmen and other favored parties; the metric Double Eagles to a few VIPs. Today they are expensive curiosities.



6. U.S. Goloid Metric Dollar, 1878; gold Stella, 1879.

The Sherman Silver Purchase Act of 1890 did not help free silver’s repute; after it, the common people were hurting worse than ever. Under it, each month the Mint had to buy 187.5 tons of new domestic silver bullion, paying in Coin Notes (Treasury Notes of 1890 [fig. 7]), which the mine owners promptly turned in for gold, some of which went to buy more bullion to resell to the Mint at a profit—another endless chain. The Coin Notes they turned in were reissued, each eventually removing many times its face value in gold from circulation.³⁰ While Treasury vaults bulged with silver dollars which circulated little and bought less than greenbacks, the gold reserves sank below the \$100 million required by the Act of July 12, 1882. Many feared that greenbacks would no longer be redeemable in gold, or that the Treasury would default on foreign debts and domestic bonds payable in gold.³¹

By May 1893, Wall Street went into a panic. Some 419 banks



7. U.S. Treasury Note, \$1, 1890 (reduced).

failed, and with them their depositors: factories, stores, individuals. Millions were suddenly jobless and hungry. President Cleveland called a special session of Congress to repeal the Sherman Act, over prolonged protests by silver crusaders; repeal finally came November 2, but by then the nation was desperate, and social unrest escalated. That fall, Coxey's Army of unemployed workers (at their eventual height in the spring of 1894, 20,000 strong) marched on Washington, to demand a federal works program—anticipating FDR's New Deal by 40 years. They would be longer remembered than the mounted police who on May 29, 1894, turned back the last 600 from the Capitol grounds and arrested their Populist Theosophist leader, Jacob Sechler Coxey, for walking on the grass.³²

Meanwhile William H. Harvey (fig. 8) wrote *Coin's Financial School*, a best-selling pro-silver tract; it appeared in May 1894, while Coxey's Army was approaching the Capitol, and eventually sold over 1 million copies. In it he printed six lectures and question-and-answer sessions between a boy prodigy financier, "Coin" (fig. 9), and his adult audience at the Chicago Art Institute: fiction, but with many real gold bugs named as interlocutors—and furious at being included. This 25¢ paperback converted William Jennings Bryan to free silver (fig. 10). Beyond doubt, "Coin" did more to alert the general public to the gold vs. silver ideological war than other rhetoric or scholarly writings on either side. Gold bugs wrote books refuting Harvey's worst blunders, but they had about as much effect as atheists' books denouncing the Bible. The general public took "Coin" more seriously than his opponents did. Hofstadter called Harvey the Tom Paine of the free silver movement, and *Coin's Financial School* its *Common Sense*.³³



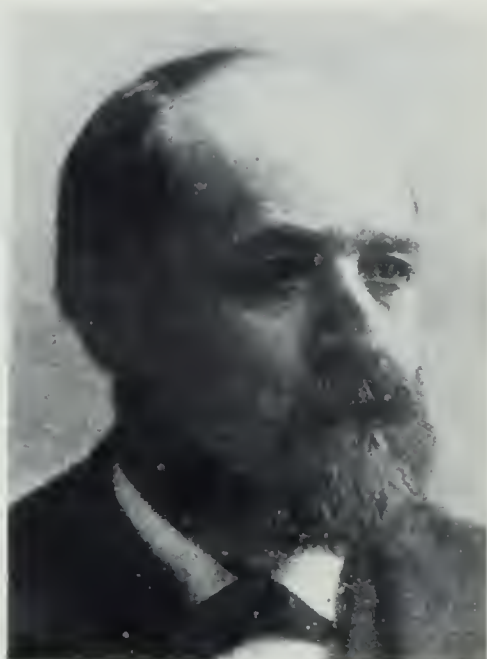
8. William H. Harvey (reproduced from White, *Silver and Gold*, p. 38).



9. Harvey's financier "Coin" (reproduced from Harvey, p. 38).



10. William J. Bryan (reproduced from White, *Silver and Gold*, p. 291).



11. Richard P. Bland (reproduced from White, *Silver and Gold*, p. 91).

Laughlin, outraged at being fictionally defeated by "Coin", attacked Harvey in print, and on May 17, 1895, debated with him at the Illinois Club in Chicago. The Harvey-Laughlin debate proved only that both sides had weaknesses, but neither would budge from his ideological base. It converted no partisans of either side to the other.³⁴

In the 1896 presidential campaign, free silver was the number one issue; "Silver Dick" Bland (fig. 11) was the Democratic front runner until Bryan made his "Cross of Gold" speech on July 8 and won the nomination. The Republican gold bugs ran "Boss" Hanna's candidate, William McKinley, on a platform of a gold standard and high tariffs. The battle was to come November 2.

Gold bugs won on technicalities, not on convincing the opposition. They spent immense amounts on the campaign; people voted for McKinley because they feared another Sherman Act and another Panic of '93. The aftermath was anticlimactic; no action by McKinley ended the nation's fiscal woes. Instead the Klondike gold discoveries (beginning August 12, 1896) and improved extraction methods gradually eased the gold/silver ratios, and the danger of another Panic of '93 seemed less.³⁵

By 1900 the Populist movement was dying; Bryan lost again to McKinley. Meanwhile, Lyman Frank Baum, observing these events

both from his editor's desk in rural South Dakota and his writing desk in urban Chicago, wrote *The Wonderful Wizard of Oz* at least partly as a political allegory: "Greenbacks and Silver and Gold, Oh My!" Side by side with the Scarecrow (the midwestern farmers), the Tin Woodsman (urban industrial workers), and the Cowardly Lion (Bryan), Dorothy (the hope of heartland's Common Man, innocent enough to see the humbug of which the emperor's new clothes was woven) wore the silver shoes of the Wicked Witch of the East (ignorant of their magic power) down the Yellow Brick Road (the gold standard) that led nowhere. The Wicked Witch of the East symbolized megacorporations and banks, which had for years kept the Munchkins, the little people, in bondage. Her Western counterpart was the force of diabolic/Darwinian/Spencerian nature; Dorothy's cold water drowned a midwestern drought or wildfire. Even as Coxey's Army headed for Washington, Dorothy and her friends headed for the Emerald (i.e. Greenback) City of Oz (the abbreviation for ounce) where the Wizard (the President) was unwilling to deal with their problems. Forced to confront them, the Wizard eventually confessed to being "just a common man" ruling by "making believe." But the Scarecrow said instead "you're a humbug." Baum's message, then as now: the desire for symbols of success is crammed with wishful thinking, illusion and deception. By deception the plutocrats manipulate and control the common people; and only ignorance allows them to keep on doing it.³⁶

The next year the new Wizard was dead from an assassin's bullet. In 1904 Morgan dollar coinage ended; 30 years later gold itself was demonetized, unintentionally creating new rarities—1929 Half Eagles, 1930–33 Eagles, 1929–33 Double Eagles. The gold/silver ratio problem was never solved; it died of obsolescence, when our current paper standard replaced precious metals. But like all fiat money systems, ours may become as unstable as its predecessors; it is certainly more vulnerable than the gold standard or free silver, whatever the disadvantages of either.

Why bring up this century-old lunacy, this "money mania?" Why not merely forget it again, the way people forgot millenarian cults and Millerites? Because the same kind of thing could happen again, over almost any theme. And once again professors and legislators and cabinet officers would be at swords' points over an issue where facts are continuously obscured by disinformation and ignorant irrelevant partisan rhetoric.

There are in fact disturbing parallels between the money mania of the last quarter of the nineteenth century and some of the hottest issues of the last quarter of the twentieth: Vietnam, Nicaragua/El

Salvador, abortion, drugs, pornography. Each issue has its pro-Establishment vs. anti-Establishment ideologies, and on both sides hot passion outshouts cold logic. Impartiality is resented as refusal to take sides; commitment is taken for granted: "Who is not with me is against me" (Matt. 12:30).

Those who are trying to hedge against inflation, or to survive any possible revolution, by hoarding gold—whether as Eagles, Maple Leafs, or Krugerrands—see gold as the most compact and readily usable method of transporting or exchanging value; many welcome any additional demand for gold in industry or commemorative souvenirs or outright coinage, not because they favor collecting per se, but because it may raise gold prices, insuring that present holders of gold will remain rich even if others go hungry. This may not have been the purpose in relegalizing private ownership of gold, but it may well become a side effect.

Those who seek to remonetize gold risk resumption of the old abuses as long as gold, silver and paper are not in a stable (preferably legally fixed) relationship—internationally. Or is it too close to conspiracy theories to ask if some of our current gold bugs would welcome the chance to follow in the footsteps of their illustrious ancestors?

¹ Trumbull White, ed., *Silver and Gold or Both Sides of the Shield* ([Chicago], 1895), pp. 17-22. The book includes 31 essays and speeches, on both sides, by President Cleveland (with a reply by William Jennings Bryan), nine senators, Secretary of the Treasury John G. Carlisle, Secretary of Agriculture J. Sterling Morton, Brown University President E. Benjamin Andrews, newspaper editors, and others. Conspicuously absent is "Silver Dick" Bland, although his portrait is among the 37 included.

² "Report on the Establishment of a Mint," May 5, 1791, quoted in J. Laurence Laughlin, *The History of Bimetallism in the United States* (New York, 1892), p. 14.

³ Laughlin (above, n. 2), p. 169. Laughlin, a Harvard assistant professor, was an articulate gold bug who foresaw trouble but not to the extent of the Panic of 1893. His point of view is that of the creditor class: beware bias.

⁴ This is a textbook example of Gresham's Law: not bad money driving out good, but overvalued driving out undervalued. See Laughlin (above, n. 2), pp. 11-17, 22, 29.

⁵ Laughlin (above, n. 2), pp. 26-27, 53. Neil Carothers called this process an "endless chain" (*Fractional Money* (New York, 1930), pp. 75, 249).

⁶ Soetbeer's tables, in Laughlin (above, n. 2), Appendix 2.

⁷ Laughlin (above, n. 2), p. 23.

⁸ Laughlin (above, n. 2), p. 72, n.

- ⁹ Laughlin (above, n. 2), pp. 88-89, 91, 186-89.
- ¹⁰ E. Benjamin Andrews, President of Brown University, quoted in White (above, n. 1), p. 302.
- ¹¹ Richard Hofstadter, *The Paranoid Style in American Politics and Other Essays* (New York, 1967), pp. 240-41, 249-50.
- ¹² Hofstadter (above, n. 11), pp. 239, 286-87.
- ¹³ White (above, n. 1), p. 65.
- ¹⁴ Allan Nevins, *Grover Cleveland: A Study in Courage* (New York, 1932), p. 594, an admiring biography by a Pulitzer Prize winner.
- ¹⁵ Carothers (above, n. 5), p. 259.
- ¹⁶ Hofstadter (above, n. 11), pp. xi-xii, 8, 257-58, 268-69.
- ¹⁷ David Wallechinsky and Irving Wallace, *The People's Almanac* (Garden City, N.Y., 1975), pp. 187, 189, 198.
- ¹⁸ William Hope Harvey, *Coin's Financial School* (Chicago, 1894), pp. 101-3, 127. I have not seen the Harvard University Press reprint of 1963.
- ¹⁹ Laughlin (above, n. 2), pp. 187-88.
- ²⁰ Laughlin (above, n. 2), pp. xi-xii, 37, Appendix 2.
- ²¹ Laughlin (above, n. 2), pp. xi, 70; cf. Carothers (above, n. 5), pp. 280-81.
- ²² Laughlin (above, n. 2), pp. 4-5, 8, 22.
- ²³ White (above, n. 1), p. 149.
- ²⁴ Laughlin (above, n. 2), pp. 137-41.
- ²⁵ Carothers (above, n. 5), p. 252.
- ²⁶ Wallechinsky and Wallace (above, n. 17), pp. 191-92.
- ²⁷ Walter H. Breen, *Walter Breen's Complete Encyclopedia of U.S. and Colonial Coins* (Garden City, N.Y., 1988), p. 466; Carothers (above, n. 5), pp. 278-79; Laughlin (above, n. 2), p. 209.
- ²⁸ Laughlin (above, n. 2), p. 203.
- ²⁹ Carothers (above, n. 5), p. 282.
- ³⁰ Carothers (above, n. 5), pp. 283-84.
- ³¹ These included, among others, Hessler X142, 10-40s of 1864: Act of 3/3/64, 5%

registered bonds and coupon bonds redeemable after 1874, latest ones maturing 1904, principal and interest payable “in coin,” i.e. in gold; Hessler X177-82, Railroad Bonds, Acts of 7/1/62, 7/2/64, 6% interest payable in “lawful money.” References are to Gene Hessler, *An Illustrated History of U.S. Loans 1775–1898* (Port Clinton, Ohio, 1988).

³² Wallechinsky and Wallace (above, n. 17), p. 205.

³³ Hofstadter (above, n. 11), p. 242.

³⁴ White (above, n. 1), pp. 23-85.

³⁵ Hofstadter (above, n. 11), p. 304.

³⁶ Henry M. Littlefield, “The Wizard of Oz: Parable on Populism,” *American Quarterly* 16 (Spring 1964), pp. 47-58; ultimately the source for Peter Dreier, “The way it wOz and iz,” in *These Times*, Sept. 27, 1989, p. 4.

In Search of the Imperfect Coin: A Cautionary Tale

Charles R. Hoskins

**Coinage of the Americas Conference
at the American Numismatic Society, New York**

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About 15 years ago I received a telephone call from a client in California who had recently shipped to me three boxes of U.S. gold coins for authentication. All of the coins in his shipments, more than 30 pieces, were counterfeits of modern manufacture. In those days we knew that one in every three or four U.S. gold coins submitted for authentication would be a forgery, but I had never before received such a large quantity of counterfeits from a single source.

We notified the gentleman of our findings as we returned the shipments, one by one. Because we had not found a single genuine piece among his submissions, I feared that my credibility as an authenticator might be questioned. So his telephone call came as no surprise. He had fully anticipated my dilemma. In fact, he said that he had known that most or all of the coins were forgeries.

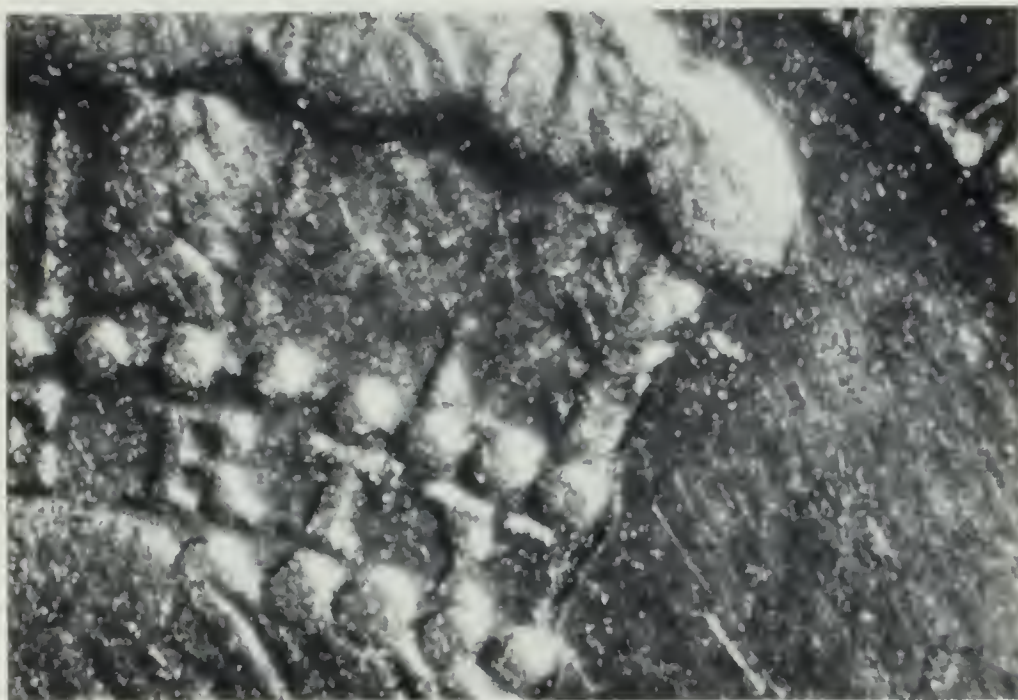
A few months earlier he had spent several weeks on a trip to Beirut and to one or more points in South America. Upon his arrival at Beirut International Airport he had checked in at the Intercontinental Hotel, a modern facility not far from the terminal. Later that day, after napping in his room to recover from the lengthy flight, he visited one of the concessions in the hotel lobby where newspapers, magazines, souvenirs, jewelry, and, among other things, a variety of gold coins were sold.

Our California friend was a relatively seasoned coin collector, so he viewed the glittering display of gold with justifiable suspicion. He introduced himself to the proprietor of the small shop, a Lebanese man named Ahmed Najib. Presently he asked Ahmed, "Are these real United States gold coins?" Ahmed smiled and replied in English, "Oh no, sir, we are selling gold bullion in a recognizable form." Recognizable, to be sure, but more specifically counterfeit (fig. 1).

The Californian dropped in at Ahmed Najib's concession on a daily basis during the next week, and the two men developed a fairly close acquaintanceship. Later in the man's two to three week visit to Beirut he purchased several ornate, delicate platters or trays hand-crafted in silver as gifts for friends. Later he realized that they were too fragile for mailing unless they were protected in custom-made crates. He told Ahmed of his problem; Ahmed said that if he would come to the shop just before closing, he would take him to a place where suitable shipping boxes would be made.

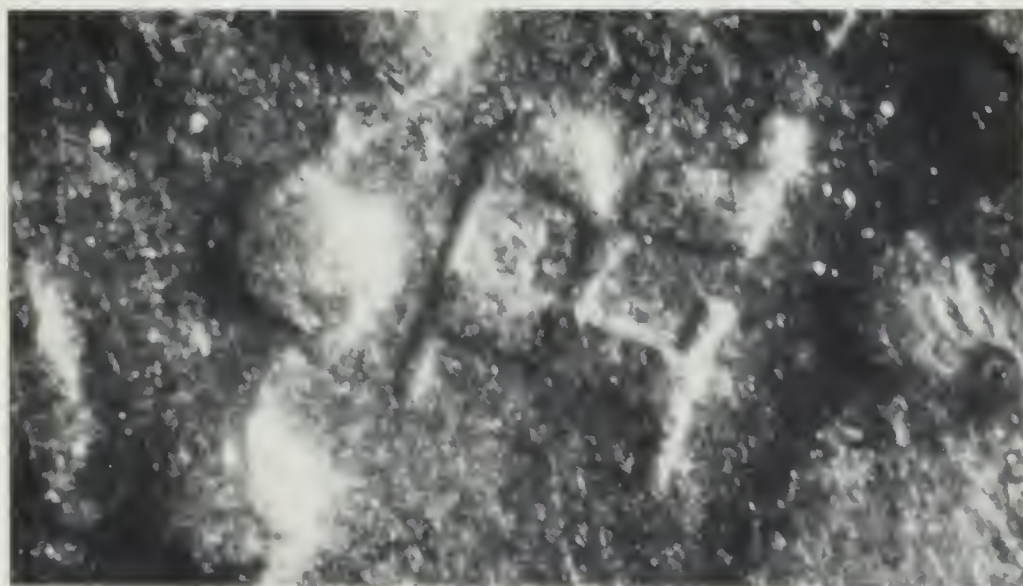
The two men met that evening, and they rode in Ahmed's sports car, silver trays in hand, to a suburb of Beirut.

Ahmed parked his car in front of an American-style house in a development. As they approached the front door, my California friend heard and felt a throbbing under his feet—a heartbeat-like pulsation which emanated from the house. Inside the noise and



1a. Counterfeit U.S. 1882 \$3, obv. detail.

1b. Counterfeit U.S. 1882 \$3, obv. detail showing Ω .



1. Many forgers are proud of their work. One boastful artisan placed his signature, the Greek letter Omega, inside the loop of the "R" in AMERICA in the headdress of this false 1882 \$3 gold piece. His Omega signature also appears on many counterfeit Saint-Gaudens type 1907 high relief Double Eagles, on the reverse within the recess in the eagle's talon. Both these forgeries had appeared by 1973.

vibration were much stronger. Clearly massive machinery was operating in the basement.

The living quarters were unfinished. Two Lebanese carpenters were at work, apparently preparing the living area for occupancy. Ahmed asked the men to make suitable shipping cases for the trays, and soon the carpenters set about their new task.

While Ahmed and the Californian were waiting for the crates to be assembled, Ahmed turned to the tourist and asked, "Would you like to see where we make the gold coins?" The Californian eagerly accepted. Ahmed opened a stairway door, and the two men descended into the cellar.

In the middle of the basement floor, two or three workmen were operating a large Schuler coining press which was striking U.S. 1904 Double Eagles. It was clear that they had the capability of making many other dates and types of coins, because wooden shelves along the walls held many coining dies.

I was fascinated as the Californian related these events over the telephone; his experience gave us insight into one of the most successful gold counterfeiting organizations in the near east. Our discussion was over in a little more than 20 minutes. I failed to ask my California acquaintance if he had acquired any of the counterfeit gold coins from the people who were running the coining press, or even from Ahmed Najib's concession at the Intercontinental Hotel. But he did tell me that Ahmed also ran a travel agency in Beirut; that once you had met Ahmed, you could order counterfeit U.S. gold coins from him by mail, and that he would ship your purchases to you in travel brochures from which neat round holes had been cut in a dozen or so of the center pages to protect the coins snugly in transit.

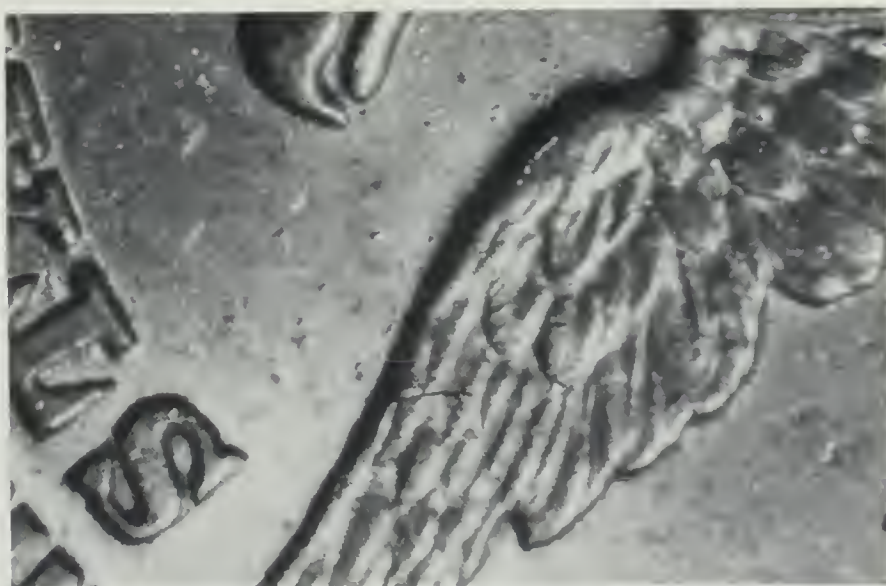
The manufacture of counterfeit coins for the collector market, as opposed to counterfeiting for circulation, is a comparatively modern practice. It has its roots perhaps in the fifteenth and sixteenth centuries in Italy and elsewhere in southern Europe, where handsome copies of Roman coins and medals were made to satisfy the thirsts of nobles and wealthy merchants for antiquities. But only in the last 40 years has the problem of numismatic counterfeits posed a serious threat to the numismatic fraternity. In the mid and late 1950s the U.S. Secret Service received reports from coin dealers and collectors that a variety of purportedly counterfeit gold coins were being smuggled into this country from abroad (fig. 2).

For decades that agency had devoted more attention to the detection of counterfeit paper money and other government documents than it had to coins, so it was ill-prepared for the influx of mass-



2a. U.S. Liberty head \$2.50, rev. detail.

2b. Counterfeit U.S. Liberty head \$2.50, rev. detail.



2. Counterfeit gold coins produced in the 1960s and earlier exhibit more technical defects than we find on more recently produced forgeries. This common type of counterfeit Liberty head Quarter Eagle first appeared before the author began his career in authentication in 1972. Random small holes in the surface of the reverse die allowed raised lumps of metal to protrude from the field to the left of the eagle's beak on each of the thousands of "coins" these forgers produced.

The counterfeiters combined this reverse die with a variety of obverse dies bearing dates in the 1890s and early 1900s. The U.S. Mints have not used undated coin dies over multi-year periods since the early 1800s.

produced forgeries of U.S. gold coins. In fact, it did not have on the staff of the Counterfeit Division any individual who was capable of detecting these new forgeries with a high level of accuracy. In 1961 the Secret Service turned to the Bureau of the Mint for assistance.

In response to the Secret Service request for assistance, the recently installed Director of the Mint, Eva Adams, assigned members of the Mint's Division of Technology to the task of finding means to detect the new counterfeits. Four members of the Mint staff spearheaded the effort, including the Mint Assayer, Howard Johnson, a close personal friend who passed away in the 1970s, and three other men, two of whom retired from the Bureau of the Mint about 20 years ago. Only one member of the original team, Thomas Jur-sich, remains on the staff today.

These four men acquired a variety of scientific equipment and studied and tested both the new forgeries and a quantity of known genuine U.S. gold coins until they could distinguish them with remarkable accuracy (fig. 3). Their efforts received little attention in the numismatic press, but they made it possible for the Secret Service to seek out and prosecute purveyors of U.S. gold counterfeits with confidence.

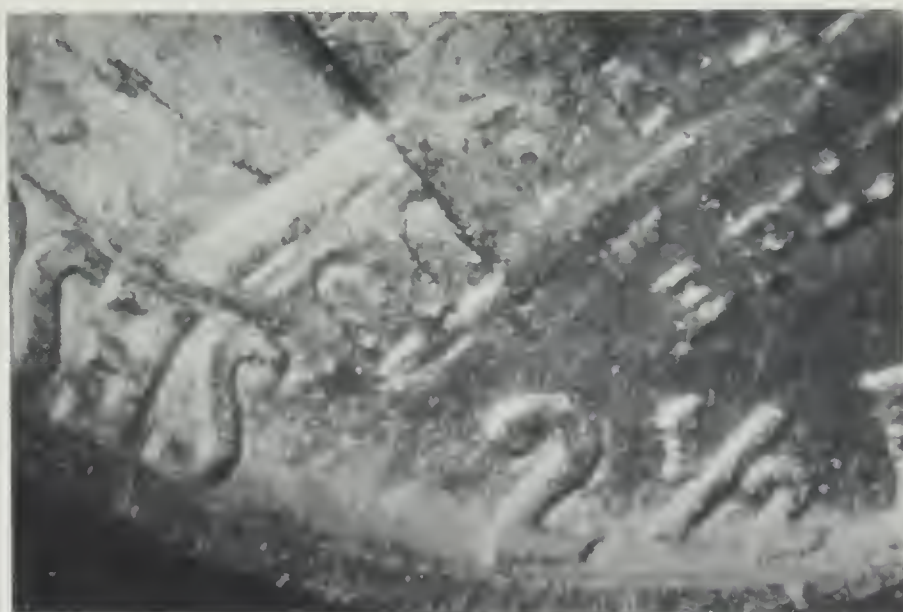
The main difference between the counterfeiters of earlier years and those who appeared on the scene in the 1950s could be found in their technology. Earlier counterfeiters were satisfied to make imitations of genuine coins by the easiest and least expensive means—casting. The new breed of counterfeiter believed that the best way to make counterfeits which would deceive experienced numismatists was to duplicate the coining processes actually used in the mint to produce the original, genuine coins. While the setup costs for these new enterprises were vastly greater than for the older shops where casting rather than striking was the rule, the new organizations could make perhaps 20 to 50 pieces per minute, whereas their predecessors could cast only a handful of forgeries in an hour. Because these new forgeries were being struck from dies, they were far more deceptive than their cast prototypes.

Although the introduction of modern minting technology into counterfeiting operations resulted in more realistic forgeries, it did little to overcome the most basic of all the counterfeiter's problems—lack of access to the original artist's models, or galvanos, for the coin he wishes to copy. Instead, the counterfeiter must use as his subject the best example of the genuine coin he can locate: almost certainly a less-than-perfect coin at least four generations removed from the original engraver's art.



3a. U.S. 1926 Sesquicentennial \$2.50, rev. detail.

3b. Counterfeit U.S. 1926 Sesquicentennial \$2.50, rev. detail.



3. Some experienced numismatists can detect counterfeits with impressive accuracy without a magnifier, but the stereo microscope is the workhorse of every modern coin authentication laboratory.

The most common counterfeit of the 1926 Sesquicentennial of American Independence Quarter Eagle differs from the genuine coin primarily in the strength and sharpness of its relief, characteristics which are seldom detected without excellent lighting and magnification.

As the counterfeiter reproduces the fine details of the relief of a coin on the face of his new die, it is inevitable that he will simultaneously reproduce the nicks and scratches which the coin has sustained since the moment of striking. It follows that every forgery made from the newly-created counterfeit dies will bear identical "bruises" that are not part of the coin design, and certainly would not be present on an official coin die.

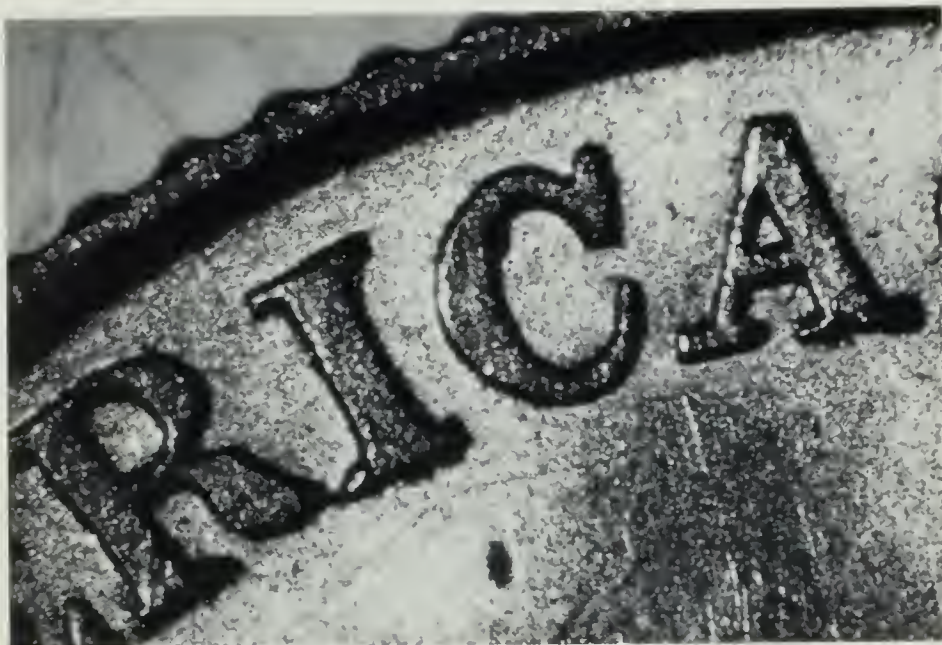
The skilled counterfeiter is aware of this problem. He is faced with a dilemma: he may either make his counterfeits with these identical defects on each coin he produces, or he can attempt to touch up his dies with extreme care to eliminate the defects (fig. 4).

If he allows the defects to appear on his forgeries, his fraudulent products will be spotted by astute collectors who see the same pattern of scratches on many identical coins. But if he attempts to eliminate the defects in the die face, the odds are strong that he will introduce new defects as he eradicates the old.

Judging purely from the flow of coins which cross my desk weekly for authentication, it is clear that the volume of new U.S. gold coin counterfeits produced annually worldwide has been declining for 12 to 15 years, perhaps longer. In the early 1970s thirty percent of the U.S. gold coins we saw were counterfeit. Today the percentage has declined to about five percent. Fifteen years ago we saw on average two to four new types of counterfeits each month; today new counterfeits of U.S. gold are rarely encountered, but new forgeries of silver and minor coinage have become more common.

When the international gold coin counterfeiters first appeared in the late 1950s, the price of gold hovered close to \$35 per ounce, so the cost of the raw material for their production was acceptable. Twenty years later the price was headed for the \$800 per ounce level, and even today tends to remain above \$400. Thus the counterfeiters' inventory costs have multiplied by a factor of over ten. This has reduced the profitability of all counterfeiting operations.

In the mid-1960s, the presence of gold counterfeits in the U.S. numismatic marketplace was becoming well known, and soon a few numismatists were learning how to recognize the forgeries. By word of mouth counterfeit detection methods were circulated. The American Numismatic Association Certification Service began authenticating coins in 1972, and in late 1976 the International Numismatic Society joined in the effort. About five years later the IAPN opened its counterfeit bureau in London, and during its short existence it published a voluminous amount of information concerning numismatic forgeries (fig. 5).



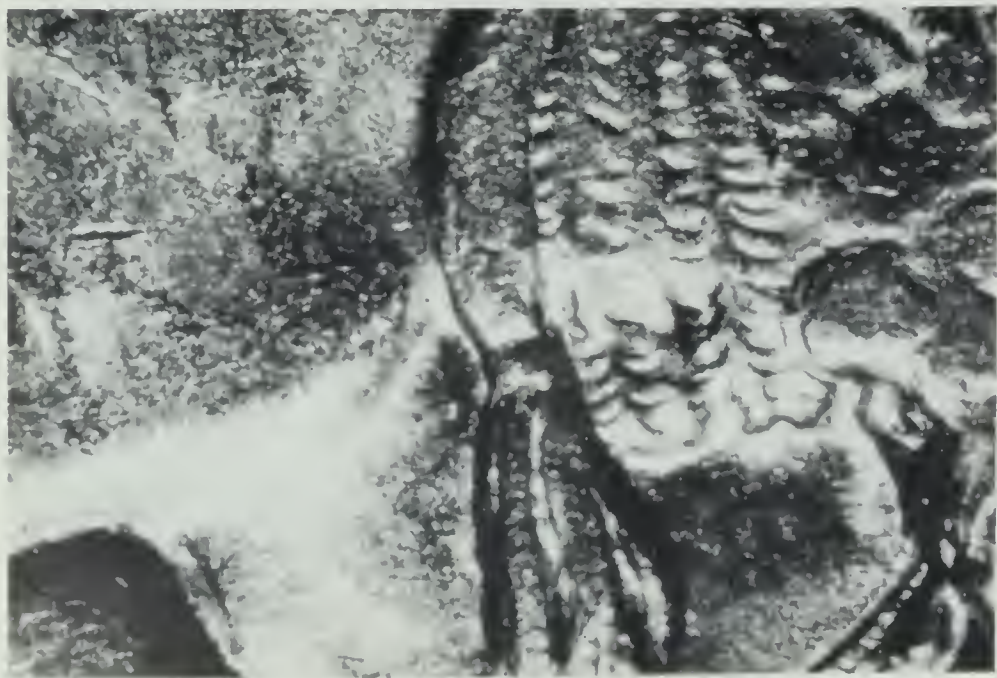
4a. U.S. 1917 McKinley \$1, obv. detail.

4b. Counterfeit U.S. 1917 McKinley \$1, obv. detail showing tooling.



4. Technological advances in this century bring the possibility of undetectable counterfeits uncomfortably close to reality, but with few exceptions the design of an original genuine coin has greater crispness and strength of detail than does the counterfeit. The genuine McKinley gold \$1 of 1917 is virtually free of mint defects; the counterfeit has fine, raised circumferential tooling lines between "ERI" of AMERICA and the coin's rim.

While technology was making it easier to produce high quality forgeries, more knowledgeable dealers and collectors were making it increasingly difficult and dangerous for peddlers of forgeries to disperse their wares profitably. It is becoming clear that the fortunes of the mass-production counterfeiters are ebbing, and that for the near future the prime danger to collectors comes not from these forgers, but from a new breed which appears to be evolving: those who specialize in making smaller quantities of forgeries of less commonly traded scarce and rare coins, taking pains to make their products virtually undetectable except by professional authenticators.



5a. Counterfeit U.S. Indian head \$5, obv. detail.



5b. Counterfeit U.S. Indian head \$5, obv. detail showing die scratches.

5. Bela Lyon Pratt's Quarter Eagles and Half Eagles of 1908–33 have long been popular targets for counterfeiters: several hundred different forgeries of these issues have been seen in the last 20 years.

The texture in the deepest recess of the obverse design of these coins—on the Indian's neck, to the right of the braid of hair—is extremely helpful to authenticators. Most modern forgeries display irregularities in this area, such as the fine parallel die scratches in the deepest part of the recess.

“An onerous & delicate task”:
Franklin Peale’s Mission South, 1837

Richard G. Doty

**Coinage of the Americas Conference
at the American Numismatic Society, New York**

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Since classical times, governments have occasionally found it necessary to establish “branch” mints—coining facilities dependent on and subordinate to that central organization responsible for the purveying of coinage to a nation and its people. While any number of reasons may go into the decision to set up subordinate mints, there will ordinarily be two main elements in the process leading to that conclusion.

The first of these is a felt need, either by the government or by persons influential in its counsels, to create more coinage. This is so obvious that it scarcely needs stating; but it must be in place before any additional steps can occur. This felt need may be a reflection of a real crisis in the purveyance of coin, or it may be an artificial creation, based on civic pride.

The second main element is that of the availability of metal for coinage, which may come about in either of two ways. It may already exist in a monetary form, providing the means for a *re-coinage*. Or it may exist in a bullion form, the product of a new, and successful, mining economy. In the former case, the setting up of a branch mint will very likely take place in a location which already enjoys economic and/or political significance; in the latter, it will probably occur near the new source of metal, which will almost certainly be a place of little previous economic or political significance. In general, it will be much easier to establish a branch mint in the former situation than in the latter.

The American Experience

By the 1830s, agitation was under way for the establishment of branch mints in the United States. In time, three new mints would be set up, one each at New Orleans, Louisiana, Charlotte, North Carolina, and Dahlonega, Georgia. These branch creations fit well into the model outlined briefly above. The New Orleans Mint was erected in a center of great economic and political importance, and it was primarily intended for the *recoinage* of other peoples’ money into new, American, media of exchange. The major raw materials for its products would have been the foreign, especially Mexican, coins entering the Crescent City by way of its flourishing trade with the outside world. National pride and technological possibility both played a role in the establishment of this new mint: by the 1830s, Americans were becoming tired of using other people’s silver and gold coins, and they were also acquiring the industrial know-how needed to turn these foreign coins into domestic ones.

It must be emphasized that the primary consideration behind the establishment of the New Orleans Mint was an incoming flow of

coins, and not of bullion. There were no significant gold or silver mines within 500 miles of the city, but there was a persistent and growing influx of precious metal all the same, in the form of Mexican Pieces of Eight, of Peruvian *doblon*es. In this respect, it is interesting to note that one other major American city came under consideration as the possible site of a mint during the branch mint debate of the 1830s. This was New York, whose economic and mining situations were closely comparable with conditions in New Orleans.

So New Orleans would get a mint. It would be erected with no particular difficulties, and it would be a success from the outset, coining and recoinng down to the opening years of the twentieth century.

The Charlotte and Dahlonega Mints

The story of the other two branch mints established during the 1830s would be very different. Charlotte and Dahlonega were always intended for coinage from raw materials, and not for recoinage. They were set up as a way of elaborating the products of the gold workings of the Southern Piedmont into coinage near their sources. From the beginning, then, they were the creation of a mining economy and dependent upon it. This dependence was to be the single most important factor throughout their story.

It was also to inject a peculiar degree of difficulty into their establishment in the first place. To the extent that coining is an industrial process, the building of a mint requires a modicum of industrial experience in the area about to receive it. This was particularly true in the case of the new branch mints in that they were the first "modern" facilities in American history, relying on state-of-the-art methods and machinery to produce their coins. Unfortunately, the sites selected for the two new mints were too backward to easily receive and abet the new technology. While not precisely frontier areas, neither site enjoyed a large population and the variety of skills required to build and maintain a modern coining facility. The results might have been predicted: provided for by legislation in March 1835, construction proceeded so slowly and so poorly that the "Mother Mint" (as the Philadelphia facility was known in those days) was forced to send down a special emissary to prod her lazy offspring into action. This was Franklin Peale, of whom more later.

The two gold branch mints have enjoyed a modest popularity with scholars over the past two decades, and a number of book length treatments have resulted. Anthony Stautzenburger's work on the Charlotte Mint appeared in 1976.¹ It contains exhaustive coverage

of the events leading up to the opening of that facility, but nothing on its later activities. A new book on the mint by Claire Birdsall goes far toward supplying this need, and it should be used in conjunction with Stautzenburger.² Earlier, in 1984, Birdsall had contributed a volume on the Dahlonega facility³ which was shortly joined by a second study by Sylvia Head and Elizabeth Etheridge.⁴ Among these four sources, the interested scholar will find firm points of departure for further study. Of course, the major source for these books (as well as for this paper) is Record Group 104, National Archives, Washington, D.C.

Mints at Charlotte, Dahlonega, and New Orleans were provided for under the Act of March 3, 1835. This legislation allocated sums to purchase sites for mint buildings, to equip them with the latest machinery, and to pay the salaries of the chief coiners, assayers, melters, refiners, clerks, and subordinate workmen needed to operate the facilities. Sites were selected, contractors engaged, and the work begun. Things proceeded well enough at New Orleans. But the same could not be said of Charlotte or Dahlonega; there, a combination of mismanagement and lack of expertise rendered progress slow and extraordinary measures necessary.

At first glance, Dahlonega was the more problem-ridden of the two mints. The local contractor, Benjamin Towns, was excessively slow in performing his duties. Ignatius Few, who had been selected as Commissioner to oversee the construction of the mint, described Towns's problems in fulfilling his agreement: the builder was nowhere near completing his labors after more than a year's worth of effort.⁵ Moreover, much of what Towns had done was done poorly. The Superintendent of the Dahlonega mint reported that the building's walls had been so shoddily constructed that one of them actually buckled from the lateral thrust of one of the masonry arches, essential to the original building plan.⁶

The letter containing this intelligence made mention of other difficulties at the Georgia mint site. There was a signal lack of adequate housing in this backwoods area, leading the Superintendent to suggest that the Government either supply its employees with suitable dwellings or raise their salaries by way of compensation. The Superintendent was also feeling very much alone in attempting to deal with the many problems he was encountering: none of his coining colleagues had yet come to Dahlonega, and the one person whose input would have been most important, Commissioner Few, was similarly absent.⁷

Two observations suggest themselves at this point, the first of which applied, to a greater or lesser degree, to all early American

branch mints. That is, the parent facility could not depend on finding any experienced personnel in the places where it was setting up its branches; along with a lack of industry in places like Charlotte and Dahlonega, there was also a lack of industrial *expertise*, of technological know-how. Anybody with the specialized skills needed to create coinage in the nineteenth-century fashion would have to come from Philadelphia. This situation is strongly reminiscent of the earlier fortunes of the Birmingham coiners, Boulton, Watt & Company, in Mexico, Russia, and several of the other places which received modern coining facilities from the firm: along with the mints, the people to operate them had to be sent from the advanced area to the backward one.

The other observation was, mercifully, confined to Dahlonega. This was the problem of Col. Ignatius Few, a lawyer and Methodist preacher, sometime Commissioner of the Dahlonega mint. Col. Few had many sterling qualities, including a purity of heart and a greatness of mind. But he also suffered from a notable lack of ability to carry projects through to conclusion, and he seems to have taken a distinct dislike to the idea of spending time in Dahlonega overseeing the affairs of his fledgling mint. The Commissioner would be a persistent problem for those other persons entrusted with the erection of the facility.⁸

While the constructing and equipping of the Charlotte mint met with no personnel problems of the magnitude of Col. Few, another set of obstacles was impeding progress there as well, especially the difficulty of getting mint machinery and parts from their points of manufacture to their place of use. One is constantly reminded of the technological isolation of the Charlotte mint, a situation rendered more difficult by a severe drought along the water route which the machinery and castings would have to take between Philadelphia and Charlotte. The resulting low water had made shipment of the main machinery consignment problematical in the spring of 1837; Franklin Peale would still be complaining of its effects six months later.

Personnel problems are also evident at the Charlotte mint; and, while Peale's version of the ineptness of that building's construction is perhaps overstated, there do seem to have been difficulties with the raising of the edifice there as well, even if they were not comparable with what was going on at Dahlonega. In the latter case, the faults of construction appear to have led to a decision momentous for the story of both branch mints: the Mother Mint would send down one of its own, a crack troubleshooter who would oversee the final labors of construction and preparation for coinage, ensur-

ing that the lengthy building process would at last bear fruit. It would send Franklin Peale on his mission South.

This decision was reached during the month of August 1837. John Singleton's letter of the sixth of that month to Mint Director Robert M. Patterson, containing the news of the collapse of construction at Dahlonga, would have been received at Philadelphia within a week to ten days. By August 18, Patterson was reporting the facts to his superior, Treasury Secretary Woodbury, adding that he was hardly surprised at the bad news, already having heard rumors about the contractor's incompetence—and Commissioner Few's lackadaisical attitude about it. Patterson then made a suggestion:

It seems to me...that it will be proper to send, to *both* the Gold mints, a confidential & skillful person, who may present us a true account of the execution of the work, and give instructions as to correcting the errors, that have been committed, and completing the work that remains,—such as the erection of the furnaces, &c. I know of no one competent to this task, except our Melter & Refiner, Mr. Peale.

Patterson suggested that Peale's duties at the Philadelphia Mint could be assumed for the time being by the person who was soon to be sent to New Orleans in a similar capacity, and, by way of persuasion, added that Peale could perform this laudable task at no expense to the Government beyond carfare.⁹

Woodbury assented to Patterson's suggestion three days later, stressing that, while events at Dahlonga were of primary importance, it would be best to send "a person to make an examination of *both* buildings...you are authorized to send Mr. Peak [*sic*]."¹⁰

Peale at Charlotte

Benjamin Franklin Peale deserves a brief introduction. He was 42 years old at the time of his visit to Charlotte and Dahlonga. His early career was spent as manager of the Philadelphia Museum. In mid-1833, he was sent to Europe on a fact-finding expedition on behalf of the U.S. Mint. His major responsibility was to bring back improved methods of metal refining, but he also took this opportunity to learn about advanced methods of coining. A visit to the Karlsruhe Mint, which had recently been outfitted with toggle-action presses of the Uhlhorn type, made a deep impression on him. Peale saw similar presses by Thonnelier in Paris, and, upon his return to America in mid-1835, he would pour all that he had learned about



1. U.S. Mint at Charlotte (reproduced from A.J. Stautzenberger, *The Establishment of the Charlotte Branch Mint*, frontispiece).

coining into a series of new machines for the Mint. His coining press was to borrow heavily from his European experiences, but it would be adapted and perfected, operating more smoothly than the Continental machines which had inspired it. It would first go into action at the Philadelphia Mint in March 1836, and copies of it would soon be sent down to the three new branch mints. Peale also developed an improved edge-milling machine, which appears to have been entirely of his own design, owing nothing to European antecedents. His career at the Mint rose commensurately with the success of his inventions and adaptations: by March 1836, he was Melter-Refiner at the Philadelphia Mint, and he became Chief Coiner upon the retirement of Adam Eckfeldt in 1839.¹¹

Peale, then, would be just the person to set things right at Charlotte and Dahlonega. Accompanied by his daughter Anna, he set out for the first stop on his itinerary, arriving at Charlotte on September 23, 1837. He immediately encountered difficulties: a shipment of castings, copper vessels for the North Carolina mint's melting furnace, sent from Charleston by water eight days previously, had not yet been received at Charlotte, due either to accident or to the drought conditions mentioned earlier. Peale was, as he put it, "*in a trap*": the brickwork for the melting furnace could not be started until the castings arrived. Moreover, there was nothing for him to do as yet at Dahlonega, which was in an even less ad-

vanced state of completion than was Charlotte. At the same time, he could not simply return to Philadelphia, because that would render his entire journey meaningless. For the first and last time, the inventor appears to have lost his nerve. He quickly regained it, however, and he soon had a rough plan of action in place, which involved Col. Wheeler, Superintendent of the North Carolina facility, making a personal visit along the path to have been taken by the missing parts. But Peale's anxiety over the success of the branch mint enterprise, inspired by the technological backwardness of the regions in which the new facilities were to operate, forms a constant theme in his letters to Mint Director Patterson.

At times, this uncertainty, and the conditions which inspired it, get beyond Peale's control, and he sounds rather like a snob from the big city, denigrating his country cousins. While admitting that the Charlotte mint had a pleasing exterior, the Pennsylvania inventor felt constrained to add that, while the bricks from which the building was constructed "are good North Carolina Bricks, ([they] would be called d—— [damned] bad in Philad.[elphia])."¹² His views of Charlotte hardly mellowed with time; in a later letter to Patterson, he referred to the town as "this fag end of creation," an area "where the only active beings are the hogs."¹³ In Peale's defense, it can only be said that he was encountering terrible difficulties attempting to breathe life into that mint. The crucial castings had still not arrived. An importunate Superintendent Wheeler was constantly besieging him about funds to pay the hands employed upon the fixtures of the mint, about which Peale could only claim ignorance.¹⁴ The contractor himself was demanding additional money for the work, which, to Peale's mind, had been poorly conceived in the first place. Due to careless wording of the contract, windows were so ineptly constructed that it took two people to open each window, "no small matter I assure you in this hot weather."¹⁵

By October 11, the castings for the furnace had still not been received, and Peale was becoming desperate: "Not even a *guess* can be ventured as to the probable time of their arrival." He had done all in his power to expedite matters, and he was now engaging the bricklayers in other activities. But he was actively considering giving up on Charlotte for the time being, and sending his people on to Dahlonega where they could be more gainfully employed. In the meantime, he would use his enforced leisure as wisely as he could, visiting the nearby mines which had inspired the gold branch mints and his mission to rescue them.¹⁶

Peale's visit to the mines helped restore his resolve to see his

"onerous & delicate task" to completion. So did a supportive letter from Patterson, which he received upon his return to Charlotte. He now assessed matters there with a greater realism; while the matter of the copper castings was a serious one, they would, after all, eventually make their way to the mint and, once they had, "the erection of the furnaces will be but a small matter, and every thing else is in a forward state." So difficulties were perhaps not as burdensome as he had originally assumed.

All the same, Peale now saw his mission as going on through the rest of 1837. He had become convinced that the primary difficulty with the new mints was one of personnel: "Our superintendents have very crude ideas, and our officers are all young in their professions, of course in constant need of avice [*sic*] and mediation." That being the case, Peale would do well to visit the facility at New Orleans once he had done with those at Charlotte and Dahlonega. What did Patterson think?¹⁷

As it happened, Patterson thought it was a bad idea, and he told Peale so:

As to your movements, I must...exercise my *veto* upon your proposed long delay, and, above all, upon your scheme of going to N Orleans before you return to Philadelphia.

As the Mint Director saw it, once Peale had gotten things under control at Charlotte, he should go to Dahlonega for a quick inspection, returning to Philadelphia as soon as practicable. But a visit to New Orleans was out of the question: "Your presence cannot be dispensed with" at the Mother Mint.¹⁸

Meanwhile, matters were finally improving at Charlotte. On October 23, Peale reported that, at long last, the castings for the melting furnace had been found at Columbia, South Carolina; he had sent two wagons there to bring them to the Charlotte mint. This was welcome news indeed, and it partially offset a worsening health condition among the workmen from Philadelphia, many of whom were suffering from fevers brought on by Charlotte's warmer climate. The enforced inactivity had also gotten on everyone's nerves, and Peale was finding himself obliged to act as peacemaker between the peppy Assayer, Dr. John H. Gibbon, and those below and above him.¹⁹ Peale must have been looking forward to leaving Charlotte by now, even if only to exchange one set of problems for another.

And his stay in North Carolina was drawing to a close. On October 27, most of the missing materials made their appearance at Charlotte, and Peale's natural optimism at once asserted itself. The back of the problem had been broken, and, no matter how much

effort it took, he and his men would set the facility to rights as quickly as possible.²⁰

By the first day of the new month, the remaining mint stores, including the castings for the melting furnace, had reached Charlotte. By that time, so had the Mint Director's letter of October 24, denying Peale's proposal for an extended stay in the south. Peale assured Patterson that he was no more anxious to extend his mission than was the Mint Director, especially as his role of peacemaker between disaffected mint employees was proving particularly irksome. But work was now going on at a reasonable pace, and his people were now building the melting furnace. With luck, Peale expected to set out for Dahlonega in about ten days' time.

But he was pessimistic about the overall prospects for the new branch mints. The people chosen to oversee the establishments lacked experience in the work (the problem of technological expertise runs like a thread through the Peale correspondence), and, while the mints would eventually be set to work, "as to the *time* or *how* that is for futurity to shew."²¹

Peale at Dahlonega

Regardless of reservations, the second half of Peale's southern mission now appeared as feasible as it was ever likely to be, and he set out to fulfill it. He would, he hoped, need to spend far less time at Dahlonega than he had at Charlotte; this part of the trip would be a visit of inspection, "a general survey on the spot which will occupy me a few days," after which Peale could "finally turn my face homewards at the expiration of a week at longest at the said place." This was not to say that all of Charlotte's problems had been solved. Peale still had doubts and complaints about the quality of workmanship which had gone into the building, and he had recently discovered the reason for it. One of the contractors "told me himself that he secured the contract by a low offer in the expectation of making his profits on the extra work" which would have to be done to render the building suitable for use.²²

Nevertheless, it was time to leave. Franklin Peale and his daughter departed Charlotte on the evening of Saturday, November 10, and they arrived at Dahlonega the following Wednesday afternoon. The trip had been arduous, "the latter part of the distance being through rough mountain roads." The ill fortune which had dogged Peale's activities in Charlotte followed him to Dahlonega: neither Mint Superintendent Singleton nor any other official was there to receive him, and Peale was left to his own devices.

All the same, the mint building was, at first glance, in better shape



2. U.S. Mint at Dahlonega (ANS Library collection; photograph courtesy of George L. Osborn).

than he had been led to believe. The concept of the arches (one of whose collapse had inspired his mission) had been abandoned in favor of simpler, but sturdy, construction, and Peale was of the opinion that the building would serve its purpose well enough.²³

Within two days, he had revised his judgment downward. Closer examination had revealed a crudity of construction, poor brickwork, and mortar inadequate to hold the bricks together, the products of “ignorance on the part of the contractor and the drunken and bad habits of the workmen” employed in the construction. But the artisans sent down from Charlotte to assist in the final phases of the Dahlonega construction were now present, and Peale was currently making rapid strides toward reforming the work, pulling down the remaining arches and overseeing the construction of the melting furnaces. He expected to finish his mission at Dahlonega in five or six days, “after which I will return home without delay...say the second week in December.” He expressed guarded optimism about the mint’s reason for being—the nearby gold fields: “every hill is filled with auriferous quartz and every valley and gorge with the debris.” The problem was that the workings were extremely inefficient, so that “the mining operations are at this moment languishing.” Still, there was a great opportunity for improved technology, “that must some future day yield certain & great returns.”²⁴

Eight days later, Peale was still in Dahlonega: the state of the mint was even worse than previously believed, and a quick return to Philadelphia (upon which the Mint Director was becoming increas-

ingly insistent) was out of the question.

The main problem centered on the mint edifice; here, Peale's prose becomes somewhat breathless, but it is probably best to let him tell the story in his own fashion:

The workmanship of the Mint edifice is abominable, a letter might be three times filled with the details of errors and intentional mal [*sic*] constructions, the first and greatest of which may fairly be traced to Philada, in *ordering* a brick building in a country where there is no *clay*, the material employed for the brick making being the *red soil* of the Gold region, *a decomposed granite*...put into Brick by men who certainly deserve diplomas for *Botching*...

—All this in an area full of granite, which would have been an ideal building material for the mint.

The theoretical overseer of the building activity was Col. Few, who had rarely visited the construction site; Peale was certain that the Colonel was responsible for many of the mint's difficulties. The inventor had spent the past several days working furiously to shore up current problems and anticipate future ones, and he could do no more. Despite all of its defects, no alternative existed to accepting the edifice as it was, "or there will be no Branch at Dahlonge, a large amount of the appropriation having been spent;" Congress was hardly likely to be generous enough—or foolish enough—to grant a second appropriation for a second attempt. On that realistic note, Peale prepared to close out his mission and come home.²⁵

He and Anna left Dahlonge at the end of the month, making a circuitous and eventful journey back to Philadelphia. Peale's ill luck pursued him north, just as it had followed him south. While traveling through Virginia, the train on which he and his daughter were passengers met with

the perils of the most horrible accident...that has occurred for years. A fine new engine...was thrown off the track by an iron plate rail which was raised up at one end. The engine was brought up against the side of the ditch, where a fearful crash took place.

Miraculously, no one was killed, although nearly 20 people were injured, some of them severely. Peale escaped unhurt, although his daughter received a minor back injury. He credited their deliverance to the fact that they had been traveling in the middle passenger car, which, instead of being crushed by the force of the accident, had simply been raised off the tracks and thrown to one side.²⁶

Shaken but unhurt, the little party continued its journey to Philadelphia. Peale was in Washington by December 15, and he expected to make the final leg of the journey home by steamboat on the following Sunday.²⁷ By the twenty-third, he was back at his desk at last, composing an outline of his travels and findings for the Mint Director.

Opening of the Branch Mints

In his report to Patterson, Peale gave the Charlotte facility passing marks. The Commissioner, Major Samuel McComb, had made the best of a difficult situation, carefully watching over the interests of the Government as he did so. The materials employed for the mint's construction had been the best available in the district, and the workmanship "all that could be expected with the necessary allowances for the resources and habits of the neighbourhood." The machinery, of course, had been well executed, and it had been put up at Charlotte in a satisfactory manner. Peale had personally directed work on the furnaces and fixtures, "with the approbation of the officers." In brief, the Charlotte facility was ready for business and had in fact already begun receiving bullion for coining.

The same rosy picture could not be painted for Dahlonega. Peale listed several major construction defects, including the substitution of lath and plaster in the cornices, a roof which leaked, the necessary abandonment of the first-floor arches, and the poor quality of the bricks used throughout the building, placing blame for these problems squarely on the shoulders of the elusive Col. Few. Faced with these difficulties, Peale had labored manfully to render the building suitable for the purpose for which it had been conceived. He thought it would now serve, and he advised its acceptance as part of the U.S. Mint. But he also thought it would be a good idea to set aside monies for the structural repairs which would certainly come due.²⁸

With that, Franklin Peale's direct connection with the Charlotte and Dahlonega mints came to an end. They began coining operations in 1838, remaining active until the outbreak of the Civil War. Dahlonega, and Col. Few, remained problems long after Peale had returned to Philadelphia. Early in 1838, Patterson wrote Treasury Secretary Woodbury that he had just received a communication from Joseph Singleton, Superintendent of the Dahlonega mint: the contractor, Benjamin Towns, had *still* not completed his work on the mint building. Singleton had finally lost patience, telling Towns that the mint would commence operations on the first of February, finished or not. Moreover, Singleton would sack Towns's workmen,

replacing them with other people who would actually do the job.

Patterson liked Singleton's approach to the problem: here, at last, was someone ready to actually take charge, to give the Georgia mint the direction it so badly needed. Why not dispense with the services of Col. Few, replacing him with Dr. Singleton?²⁹

This was easier said than done. Few proved as difficult to remove from his position as he had been reluctant to fill it. While Woodbury acted on Patterson's advice almost immediately, informing the Colonel that he no longer worked for the Dahlonega mint, requesting him to turn his papers and the unspent balance of his funds over to Dr. Singleton,³⁰ it became infernally difficult to get the erstwhile Commissioner to surrender his office—or those public monies which he still retained, and which had now come due to contractor Towns for his work at the Dahlonega mint.

Woodbury demanded immediate action on February 17.³¹ Few refused to comply on March 6, adding the sin of breathtaking gall to his earlier offense of disobedience, as he demanded a retroactive pay raise in recognition of the difficulties which *he* had encountered in the establishment of the mint! This demand was summarily rejected, the Treasury Secretary reiterating his own ultimatum that Few turn over his official papers and funds to his designated successor;³² but matters were still not completely cleared up, and the contractor still not completely recompensed, as late as the middle of 1840.³³

Not that this had impeded the actual operations of the Dahlonega mint. It and its North Carolina sister began coining in the spring of 1838, and, except for a hiatus at Charlotte caused by a fire in the summer of 1844, the two daughters of the Philadelphia Mint led uneventful lives until being overwhelmed by the larger events of secession, war, and Reconstruction.

The man who had shepherded them into existence, Franklin Peale, went on to bigger and better things. He attained the coveted post of Chief Coiner in 1839, partly, one must assume, as a reward for his devoted labors on behalf of Charlotte and Dahlonega. He remained in this post until 1854, and was thus in a position to help shape our Mint's responses to an even greater gold rush, with an even greater effect on American coinage, than the one which had sent him on his mission south so many years before.

¹ Anthony J. Stautzenberger, *The Establishment of the Charlotte Branch Mint: A Documented History* (Austin, 1976).

- ² Claire M. Birdsall, (*The United States Branch Mint at Charlotte, North Carolina: Its History and Coinage* (Easley, SC, 1988).
- ³ Claire M. Birdsall, *The United States Branch Mint at Dahlonega, Georgia: Its History and Coinage* (Easley, SC, 1984).
- ⁴ Sylvia Head and Elizabeth W. Etheridge, *The Neighborhood Mint: Dahlonega in the Age of Jackson* (Macon, GA, 1986).
- ⁵ National Archives, Record Group 104 (hereafter NA), Ignatius A. Few to Levi Woodbury, Mar. 13 and May 27, 1837; Woodbury to Few, Mar. 23, 1837.
- ⁶ NA, Joseph J. Singleton to Robert M. Patterson, Director of the United States Mint, Aug. 6, 1837.
- ⁷ NA, Singleton to Patterson, Aug. 6, 1837.
- ⁸ For a sketch of Col. Few's character, see Head and Etheridge (above, n. 4), pp. 16-21. In a letter to Robert M. Patterson of Nov. 25, 1837, Peale observed that the Dahlonega Commissioner had been "three times in this place since the erection was commenced [that is, since the beginning of 1836], and the duration of his stay at each visit may have amounted in all to the *day* complete." (NA).
- ⁹ NA, Patterson to Woodbury, Aug. 18, 1837.
- ¹⁰ NA, Woodbury to Patterson, Aug. 21, 1837.
- ¹¹ Peale's early career is summarized in Birdsall, *Charlotte Mint* (above, n. 2), p. 14. For a more extended, and altogether entertaining, account of Peale and his contemporaries, see *Early Engineering Reminiscences (1815-40) of George Escot Sellers*, ed. Eugene S. Ferguson (Washington, D.C., 1965).
- ¹² NA, Peale to Patterson, Sept. 25, 1837.
- ¹³ NA, Peale to Patterson, Oct. 4, 1837.
- ¹⁴ NA, Peale to Patterson, Sept. 27, 1837.
- ¹⁵ NA, Peale to Patterson, Oct. 4, 1837.
- ¹⁶ NA, Peale to Patterson, Oct. 11, 1837.
- ¹⁷ NA, Peale to Patterson, Oct. 17, 1837.
- ¹⁸ NA, Patterson to Peale, Oct. 24, 1837.
- ¹⁹ NA, Peale to Patterson, Oct. 23, 1837.
- ²⁰ NA, Peale to Patterson, Oct. 28, 1837.
- ²¹ NA, Peale to Patterson, Nov. 1, 1837.
- ²² NA, Peale to Patterson, Nov. 8, 1837.

- ²³ NA, Peale to Patterson, Nov. 15, 1837.
- ²⁴ NA, Peale to Patterson, Nov. 17, 1837.
- ²⁵ NA, Peale to Patterson, Nov. 25, 1837.
- ²⁶ NA, Peale to Patterson, Dec. 11, 1837.
- ²⁷ NA, Peale to Patterson, Dec. 15, 1837.
- ²⁸ NA, Peale to Patterson, Dec. 23, 1837.
- ²⁹ NA, Patterson to Woodbury, Jan. 26, 1838.
- ³⁰ NA, Woodbury to Few, Jan. 29, 1838.
- ³¹ NA, Woodbury to Few, Feb. 17, 1838.
- ³² NA, Woodbury to Few, Mar. 16, 1838.
- ³³ NA, Woodbury to Singleton, June 1, 1840.

Collecting United States Gold Coins: A Numismatic History

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Gold coins have always been fascinating to me. In preparing this paper, I have had the opportunity to reflect upon having handled many important rarities in the series, including the incomparable collection formed by Louis Eliasberg, which I catalogued for auction in 1982, and which contained the unique 1870-S \$3, the only 1822 \$5 outside of the Smithsonian Institution, and numerous other classic issues. It wasn't always so, however; reflecting upon the past it seems like only yesterday when in the early 1950s I owned my first gold coin. As chance would have it, it was a \$20 gold piece dated 1855, with a San Francisco mint mark on the reverse, in a grade which today would probably be described as Extremely Fine. From a numismatic viewpoint it was of no great consequence: close to a million 1855-S double eagles were produced, and many examples were and still are available. However to me, a high school student who had recently begun dealing in coins, the 1855-S represented a ticket to a dream world, to visions of the California gold rush (for surely the piece was minted from precious yellow metal taken from the Mother Lode), to stories of nineteenth-century banking and financiers (Jay Gould and his machinations in the gold market came to mind), or any one of several other fantasies. Even today a \$20 piece, whether it be common or rare, is impressive to me, and I hope that this fascination will never end.

I came to know the subject of gold coins more closely when I did the research for my book, *United States Gold Coins: an Illustrated History*, for the Eliasberg family, in connection with the sale of the gold coins from the Eliasberg collection. It is pleasing to me that today the book is still useful to the numismatic fraternity. A few years ago the Secretary of the Treasury of the United States, James Baker, quoted from my book in the introduction to an important address he gave, and scarcely a month goes by without my receiving an inquiry from a government agency, a student researching a particular facet of gold coins, or some other individual or entity seeking to learn more about the golden treasures of yesteryear. Parenthetically let me state that it is a pleasure to live in the same state that Augustus Saint-Gaudens selected for his home and studio. Today in Cornish, New Hampshire, Saint-Gaudens's property is a National Historical Site administered by the National Parks System. A visit there is at once educational and inspiring, for these are the paths that the artist trod and the rooms that he occupied while designing what many consider to be the ultimate in American coinage types made for regular circulation: the MCMVII High Relief Double Eagle.

In the Beginning

Today gold coins are a vital part of the numismatic scene. Indeed, the planners for the present Coinage of the Americas Conference undoubtedly selected the field because of its wide interest. The appeal of gold to mankind dates back to prehistory, but not so with collecting gold coins, at least not on the American scene. The Mint Act of April 2, 1792, set standards for coins subsequently produced by the Philadelphia Mint, and provided for gold coins of the Quarter Eagle (\$2.50), Half Eagle (\$5), and Eagle (\$10) denominations, the Eagle set at 270 grains standard weight, of which 247.5 grains were to be pure gold.¹ The lesser denominations were of equivalent fractional amounts. Although pattern coinage commenced in 1792 at the Philadelphia facility, and copper coins were produced for circulation in 1793, it was not until 1795 that the first gold issues became a reality. During the early years the law required that the Chief Coiner and Assayer each post surety bonds in the amount of \$10,000 before striking coins in precious metals (silver and gold), and Albion Cox and Henry Voigt, who occupied these positions, were unable to fulfill this obligation. On March 30, 1794, Congress reduced the bond of the Assayer to \$1,000 and that of the Chief Coiner to \$5,000, after which Cox and Voigt had their surety bonds posted by others, and the coinage of precious metals was allowed to begin. Around May 1795, David Rittenhouse, Director of the Mint, assigned Engraver Robert Scot to produce Half Eagles. Rittenhouse left the Mint at the end of June and was replaced by Henry William DeSaussure, who ordered that gold coin production should begin. On July 31, 1795, the first quantity of Half Eagles, amounting to 744 pieces, was delivered, followed by subsequent deliveries through September 16 totaling 8,707 pieces for the year.

While it is possible that someone at the Mint may have set aside a specimen or two of the initial coinage to serve as an example of the coiner's art, it is not likely that this happened, for at the time little attention was given at the Mint to anything except the daily routine of manufacturing coins for the channels of commerce. In 1846, William E. DuBois (who served as assayer at the Philadelphia Mint 1835–81) wrote: "The [Mint Collection] commenced in June 1838. Long before that date, however, Mr. Adam Eckfeldt, formerly chief coiner, led as well by his own taste as by the expectation that a conservatory would some day be established, took pains to preserve master coins of the different annual issues."²

At the time the term "master coins" referred to specimen striking prepared with extreme care, including those with mirrorlike surfaces referred to as Proof in later years. In America the Proof

nomenclature seems to have been introduced by James Ross Snowden in the 1850s.

To state that the Mint had its own reference collection of gold coins from the earliest years onward would be to strain credulity, for specimens of many issues currently on display there, examples which have been a part of the holdings since the nineteenth century, show evidence of circulation and do not seem to fit the "master coin" category.

On March 3, 1839, Congress appropriated the sum of \$1,000 for the acquisition of coins and mineral ores for the Mint Collection. In later years a continuing annual appropriation of \$300 was made for the same purpose. From the inception of the collection in June 1838 through the end of the nineteenth century, various officials in charge of the Mint Collection (referred to as the Mint Collection, the National Collection, and by other appellations over the years) endeavored to set aside one of each date of coin produced at the Philadelphia Mint. No effort was made to preserve mint-marked issues, such as those produced at New Orleans, Dahlonega, or Charlotte beginning in the late 1830s. More often than not, the pieces saved were those made with a special Proof finish. In the absence of any claims to the contrary, the Mint Collection can be said to have the earliest foundation of any systematic holding formed of U.S. gold coins.

From the inception of the Mint Collection in 1838 until the late 1850s, when Montroville W. Dickeson published his *American Numismatic Manual*, coin collecting in America was in its growth stage. Joseph J. Mickley, who began his interest in numismatics around the year 1816 when he was intrigued by the apparent unavailability of a cent bearing his birth date, 1799, incorporated Proof U.S. gold issues into his cabinet, but he does not seem to have made a particular specialty of them. Mickley's contemporaries were not gold specialists, either.

Montroville W. Dickeson, a Pioneer

Although Eckfeldt, DuBois, Hickcox, and others had written on American numismatics earlier,³ it fell to Montroville Wilson Dickeson, M.D., to write the first generally popular guide to coin collecting in America.⁴ His *Manual* appeared in 1859 and was an immediate success, to be published in a second edition the following year, with the title slightly revised to *The American Numismatic Manual*. "This volume is presented with the hope that it may meet with a popular approbation," Dickeson wrote, "it being my purpose, if it should be approved, to prepare an edition for the use of

schools; where certainly no harm could arise from proper information being imparted relative to the origin and progress of our metallic currency—occupying as it has and now does, a paramount relation to everything that has made us a successful agricultural, manufacturing, and commercial people, and without which we would not yet have emerged from our infancy as a nation.”⁵ Assisting Dickeson in the preparation of his work were Joseph J. Mickley, perhaps the best-known numismatist of his era, and the following associated with the Philadelphia Mint: Jacob R. Eckfeldt, William E. DuBois, and the Hon. James Ross Snowden.

U.S. gold coins were the specific subject of 20 pages of Dickeson’s 256-page work. The writer introduced the subject as follows: “The data relevant to our gold coinage, owing to the want of proper mint records, and the great scarcity of the earlier emissions, is so limited as to render impracticable a particular detail of the types and varieties. We must, therefore, content ourselves with giving the different types and such varieties as have come under our observation. The early gold coinage of our government has become very scarce, and hence is exceedingly rare, being found more frequently in the southern than in the northern part of our Union. The first coinage of gold occurred in June 1795 in the form of eagles and half eagles....⁶

Dickeson went on to describe the physical characteristics of various denominations and types. For example, the 1796 Half Eagle was said to comprise one type and two varieties. “One of the varieties bears the effigy of a well-formed and very pretty face, which has been denominated the Martha Washington. It has been stated that she sat to the artist for this portrait. Whether true or not, the declaration has been sufficient to impress its credibility upon the imagination of someone, for the piece—based upon this idea—has been lately sold for the sum of \$10. If there is any foundation for this statement, we must conclude that the artist’s admiration of the lady’s beauty overcame all scruples relative to the propriety of the act; and if he had but chronicled the fact, he might himself have been included in the charmed circle of the immortalized.”⁷

The Martha Washington legend slipped into obscurity and is not recognized today. Dickeson overlooked the fact that the 1796 Half Eagle portrait did not differ from that used in 1795 or, for that matter, on other issues through 1807.

As Dickeson was a pioneer it is not fair to make light of any aspect of his work, for the corpus as viewed today is indeed impressive, especially as it did not draw upon any earlier source for its foundation. Still, we cannot resist quoting his description of the 1841-C

Quarter Eagle, which he stated was of the same design as the previous issue, "...with the exception of the letter C on the reverse, which addition, as we are informed, referred to California, this emission being a private enterprise designed for that country'"⁸

Dickeson delineated various gold coins from 1795 through 1857, but did not treat mint mark varieties. Indeed, as was the practice at the time, attention was given to the date only. An adjectival rarity rating was devised, and such terms as "plenty", "quite scarce", "scarce", "not scarce", "rare", "quite rare", and "extremely rare" were used. Among those considered to be in the extremely rare category were the 1796 \$10, 1797 \$2-1/2, and the 1798 \$2-1/2. The 1822 \$5, which was to emerge as one of America's most famous rarities after the coin was studied by a later generation of numismatists, was rated in 1859 as being only "rare", a lower designation than the "very rare" assigned to an 1826 \$2-1/2 of the same era, a coin which was later found to be dozens of times more plentiful than the 1822 \$5.

An appendix to Dickeson's work was devoted to mintages of various denominations from 1793 to 1857, including gold coins from 1795 to the latter date.⁹ Mint marks were not discussed; quantities minted were grouped together under date headings alone. Curiously only the Philadelphia figures were given. For example, for the year 1855 the reader was informed that Double Eagle coinage amounted to 364,666 pieces, which was only part of the story. Not mentioned were the 8,000 coins struck at the New Orleans Mint that year and the impressive quantity, far larger than the Philadelphia emission, of 879,675 struck at San Francisco. The figure for 1856 \$20 pieces was similarly misleading and was given at 329,878, the Philadelphia production, with no mention made of the 2,250 struck at New Orleans or the immense quantity of 1,189,750 produced in San Francisco. The reader was given to understand that no Quarter Eagles were produced in 1841, per the mintage figures, although we know that Dickeson knew of an 1841-C (for "California"!)." ¹⁰ Ignored also was the production of 10,211 1841-C (Charlotte Mint) pieces, and 4,164 1841-D (Dahlonga) examples.

Production quantities for the Charlotte, Dahlonga, New Orleans, and San Francisco mints were readily available. Hickcox used certain of the branch mint figures in computing gold coin production totals for the years 1850, 1856, and 1857. In 1845, J. L. Riddell, M.D. prepared a pamphlet on the New Orleans Mint, which included mintages by denomination for gold coins struck from 1835 to 1845.¹¹

Dickeson could not have been completely unaware of other

branch mints, for another table in his appendix gave the total number of pieces and face values, stated cumulatively, of "... the Mint of the United States (and the Branches, from the commencement of their operation in 1838 ...)." ¹² But no specific mention was made of the locations of such mints, nor of the mint marks used.

Nineteenth Century Numismatic Cabinets

Coin collecting flourished in America during the latter half of the nineteenth century, particularly after about 1860, and by 1890 several thousand devotees enjoyed the pastime. *The American Journal of Numismatics*, published by the American Numismatic and Archaeological Society, catered to the advanced collector; *The Numismatist*, published by Dr. George F. Heath in Monroe, Michigan, appealed to neophytes as well as veterans; various house organs were published and sent to dealers' lists, and numerous hobby magazines devoted columns to numismatics. Specialties covered a broad spectrum and ranged from ancient issues to modern pieces, from foreign coins to those produced within the U.S. Although no figures exist, it is presumed that two dozen or fewer numismatists aspired to collect the larger denominations of gold coins, the \$5, \$10 and \$20 pieces, by date sequence, and as will be seen not a single individual collected these by mint mark varieties.

At the time it was considered that Proof represented the ultimate condition of a coin, a condition or grade better than Uncirculated. Today the situation is viewed differently: Proof, a method of manufacture, rather than a grade, is viewed as being "different from" rather than "better than" Uncirculated. A numismatist living in the year 1890, and endeavoring to fill his cabinet with date sequences of gold denominations, would order Proofs from the Philadelphia Mint each year. Mint records indicate that during the 1870s there were numerous instances in which as few as 20 Proofs were made of a given gold issue, the 1874, 1875, 1877, and 1878 \$10 being examples. Of the 1875 Proof gold coinage, just 20 were made of each denomination from the \$1 through the \$20. When these were produced, they were put on the shelf for potential sale. In actuality, sales of the higher denominations in 1875 tended to be sluggish, and it is not certain that all 20 of the \$10 or \$20 pieces were distributed, although the full quota of 20 \$1 pieces may have been. As late as 1889, just 41 Proof \$20 pieces were made, a figure hardly suggestive of wide demand.

The only appreciable Proof coinage of the nineteenth century occurred in the dollar series from 1884 through 1889, when over 1,000 Proofs were made of each date, not because there was a great surge

in numismatic interest, but because gold dollars had become a popular speculation, and numerous citizens ordered them through banks or directly from the Mint.

Charles I. Bushnell, Joseph J. Mickley, Matthew A. Stickney, Harlan P. Smith, Lorin G. Parmelee, T. Harrison Garrett, J. C. Lighthouse, H. O. Granberg, and George F. Seavey, to name some of the most prominent numismatists of the last century, did not acquire high denomination gold coins by date and mint mark sequence.¹³ Rather the emphasis was on the date alone, although from time to time a stray mint-marked variety was acquired for one reason or another.

Who were the early collectors of gold coins? It is known that George Clapp ordered certain gold coins directly from the issuing mints in the 1890s. David S. Wilson collected Half Eagles dated up to the 1860s, as well as Quarter Eagles and gold dollars, but not Double Eagles or Eagles. Louis C. Gehring, who died in 1921, collected by mint mark varieties, but we do not know when he began. William H. Woodin developed an early interest in mint mark issues, particularly those of denominations from the \$1 through the \$5, probably beginning no earlier than the 1890s. At one time Woodin owned the unique 1870-S \$3.

Beginning in the 1880s collectors formed a heightened interest in the \$1 and \$3 denominations, because the face value was low enough that a collection did not require a substantial outlay, because each series was relatively short, and, most importantly, because it was felt that the pieces would become scarce and valuable (as indeed they did). So far as can be learned, the typical numismatist of the 1880s or early 1890s, forming a cabinet of \$1 and \$3 pieces, did not expend any great effort to acquire a rare 1855-D, 1856-D, 1860-D, 1861-D, 1870-S, or other branch mint gold dollar, or an 1854-D \$3 rarity. Emphasis was on date sequence alone.

Augustus G. Heaton's Contribution

Augustus G. Heaton, author, poet, early member and President of the American Numismatic Association, and frequent contributor to *The Numismatist*, was the first to popularize the collecting of U.S. coins by mint mark sequence. In 1893 his 54-page monograph on branch mints was published and widely advertised for sale at \$1.00 per copy.¹⁴

As curious as it may seem to readers now, when Heaton began his interest in the series—in the 1880s—few collectors cared whether a given dime, quarter, half dollar, gold dollar, or other coin bore a distinguishing mint letter. As noted already, Dickeson, certainly one of the foremost numismatists of his era, apparently did not know

what letters were used for which branch mints, and could have cared less. No accurate list giving known varieties had ever been published, and no one knew what was rare and what was common. "The need of distinct estimates was evident," wrote Heaton in 1893. "Preliminary searching proved that the rarity and consequent value of pieces of the same date from different mints were scarcely ever equal, and that some dates necessary to complete Branch Mint sequences never came to view."¹⁵

Heaton, far-seeing for the time, and combining the appeals of numismatics, economics, and social history, not only sought to disseminate information concerning mint mark coins, but he was an "evangelist" as well, devoting part of his monograph to so-called "Causes of Attractiveness," which called readers' attention to 17 distinct advantages of acquiring coins by mint mark varieties.

"Mint Marks in their progressive issue at New Orleans, Dahlonega, Charlotte, San Francisco, and Carson City show the direction of our country's growth and its development of mineral wealth," Heaton listed as the first "cause."¹⁶ Today, as we near the centennial of Heaton's work, this advantage is often overlooked. How many numismatists pause to consider the history and romance behind gold coins struck at Dahlonega and Charlotte using planchet stock refined from locally obtained metal?

Although Heaton did not specifically state this, of the six mints which had been or still were in operation by 1893, three of them—Dahlonega, Charlotte, and San Francisco—were opened specifically to coin gold from local and regional metal, while a fourth, Carson City, coined much local gold in addition to silver from the Comstock Lode, and a fifth, New Orleans, coined substantially more gold issues than silver (in terms of total face value of pieces produced), but not from metal found in the area. Only the Philadelphia Mint, the mother mint established in 1792, can be said not to have been directly tied to local gold production, although beginning in 1794 gold coin production became an important part of operations there. When the Denver Mint began production of coins in 1906, the primary value of its output was comprised of gold coins struck from metal from the Cripple Creek District and other regional sources. The most recent U.S. mint, the West Point Bullion Depository, owes its status to gold, and is the source for modern commemorative pieces bearing the distinctive mint letter W.

Among Heaton's other Causes of Attractiveness was his fifth item: "A knowledge of the coinage of the different Branch Mints gives the many usually considered common dates great rarity if certain Mint Marks are upon them."¹⁷ This comes as no surprise to modern

numismatists, but, as noted, in 1893 it made little difference to the average collector whether a given coin bore an S, CC, or other mint mark. Collecting by date was the norm. In a conversation with the present author in the 1950s, B. Max Mehl related that as late as 1904–5 there was very little interest in collecting coins by mint mark varieties, although Heaton's book had been on the market for over a decade. Indeed it was not until 1909, when the presence of an S mint mark on a VDB Lincoln cent gave it considerable extra value, that mint mark collecting became widespread, and even then it did not extend to gold coins.

Heaton's sixth cause noted: "Mint-Mark study gives nicety of taste and makes a mixed set of pieces unendurable." In other words, the collecting method adopted by just about everyone interested in the American series was completely unacceptable to him.¹⁸

Cause no. 13 appealed to the profit motive of the reader: "As Mint Marks have not heretofore been sought, or studied as they deserve, many varieties yet await in circulation the good fortune of collectors who cannot buy freely of coins more in demand, and who, in having access to large sums of money, may draw therefrom prizes impossible to seekers after older dates."¹⁹

A special section of Heaton's work was devoted to mint marks on U.S. gold coins.²⁰ By 1893 Heaton, who was widely connected in numismatic circles, knew of no other collector of mint mark gold coins, except for an individual who specialized in gold dollars. The author himself collected \$1 and \$3 pieces. Apparently no one aspired to save Quarter Eagles, Half Eagles, Eagles, or Double Eagles by date and mint mark sequence. Although Heaton studied such high denomination pieces, he did not collect them. His reasons for not acquiring the other series were not stated, but the high face value may have been a consideration. His comments concerning rarity were derived by observing mint marks included in date sets.

Heaton noted that in the period since the suspension of gold dollar coinage in 1889, pieces of the denomination had risen in value on the market so as to command "nearly fifty cents premium. It has attracted great attention from many collectors who have sought no other gold series, and its Mint Marks have become generally very rare." Among New Orleans gold dollars, "the 1850 only is rare," while all Dahlonega pieces were considered to be "precious," the 1860-D to be "exceedingly rare," the 1855-D and 1856-D "excessively rare." The 1861-D was described as "not in the Mint Report, but two pieces are known, one being in our possession."²¹

Nine varieties of Charlotte gold dollars were discussed, including the 1854-C, which was "not to be considered obtainable as, accor-

ding to the Report, but four pieces were coined and these are now unknown.”²² Decades later Walter Breen would discover that the mention in a Mint Report of the coinage of four 1854-C gold dollars was an error, and that none was made.

Heaton commented on other gold dollars: “The ‘S’ or San Francisco issues are seven: 1854, ’56, ’57, ’58, ’59, ’60 and ’70, all being obtainable but the latter, which is excessively rare and the only one of the gold Dollar Mint Marks that we do not possess.”²³

In the \$3 series Heaton described the 1854-D and 1854-O, the only Dahlonega and New Orleans varieties of this denomination, and the San Francisco issues of 1855, 1856, 1857, and 1860. “All are very rare except the 1856, which, however, is interesting from having two varieties, a large and a small S.”²⁴ Apparently he did not have knowledge of the 1870-S \$3.

Heaton described his own collection and told of the lack of interest in higher denominations: “With these [the \$3 pieces] our direct knowledge of Mint Mark *varieties* in the precious metal ceases, as we have found no gold collectors who noticed them, and as our collection in [the] bank has no other gold than the One Dollar and Three Dollar series (these being complete in all Mints, except one piece). We can, however, give the Branch Mint dates and rarities of the ‘*Eagle Denominations*’ [a reference to the Quarter Eagle, Half Eagle, Eagle and Double Eagle], until their varieties come to light.”²⁵

Heaton wrote that 75 varieties of mint mark quarter eagles had been produced from 1839 to 1893, representing \$187.50 in face value. Concerning San Francisco issues, Heaton noted that varieties were produced at that western mint from 1854 through 1879, except for 1855, 1864, and 1874. “The great prize of the series is 1858. 1876 is scarce, but no other date should be so from the amount coined.”²⁶ Heaton did not recognize that the 1854-S, of which only 246 were minted, was far and away the rarest San Francisco Quarter Eagle, and that no 1858-S specimens were minted. How he determined that the latter non-existent piece was “the great prize of the series” is unknown.

In his discussion of Half Eagles, Heaton noted that the 1861-D was very rare, that the 1854-S is “exceedingly rare and should command a high price,” that 1864-S and 1876-S were rare, and 1875-S and 1862-S are scarce. “The rest should be readily found in the far western banks.” Apparently he knew little about Carson City issues, as reflected in this statement: “Carson City issued Half Eagles from 1870 to ’84 continuously. No date is of small issue and all may be hopefully sought where western gold circulates.”²⁷

Among Eagles or \$10 pieces, the 1883-O was considered to be a "high prize," the 1864-S was very scarce, and the 1879-CC rare. "No eagles were coined at Dahlonega or Charlotte—a great saving of time and money to the collector." This statement is in seeming contradiction to his *Causes of Attractiveness*, for collectors would thus be deprived of the pleasure of owning such items.²⁸

Double Eagles formed the focus for several paragraphs. "Neither at Charlotte or Dahlonega was the Double Eagle coined, a fact which aspiring gold collectors will be relieved to know," apparently for no other reason than that the face value of a \$20 piece was apt to represent two or three weeks' wages to the average working person of the era. Among New Orleans Double Eagles, the 1854-O, 1856-O and 1879-O "are very scarce dates," but "the others should be freely found." All San Francisco pieces were considered to be common. The information concerning Carson City Double Eagles was contradictory, as it was stated that pieces had been struck from 1870 through 1885 except for 1881 and 1882 (actually pieces were struck in 1882) and from 1889 to 1893. Then Heaton went on to say that the 1881-CC was "rather scarce." In actuality, no 1881-CC coins were minted. It is not surprising that Heaton's treatise contained a few errors, for he was breaking new ground. What is surprising is that there were not more errors.²⁹

Heaton gave this advice: "Collectors should, at all events, if living near any one of the Branch Mints, seek to gather a series of one or more of its gold denominations. They should without fail, save the rarest dates of any series if chancing upon them, for with the decline of Mint Mark coinage, such pieces will attain very great value."³⁰

He continued his advice:

From the very limited use of gold in the greater part of the United States, these pieces are not to be found by simply waiting for them to appear in circulation as in the case of silver coin, nor will they form any part of the collections that revert to dealers for sale. It becomes therefore of the utmost importance that dealers and collectors should use all influence to examine the gold reserve of the banks in their vicinity, or that paying tellers, and those persons who count the cash in Government vaults, Sub-Treasuries, Branch Mints and private financial institutions, should be somewhat informed numismatically, both for their own profit and the enriching of private and public collections by their discoveries. But it would cause less delay here also if some

experienced collector were authorized to be present when the counting of coin was in progress, both to see the contents of sacks and to mark upon them as far as possible the period of the coinage they contained.

Furnished with a number of pieces of the denominations undergoing count, his trained eye could quickly detect rarities which he could at once secure and replace.³¹

Picture in your mind's eye the collecting scene in 1893: the numismatist aspiring to collect the larger mint mark denominations, especially \$5, \$10, and \$20, would find no such coins in dealers' stocks, save by the merest chance, as cabinets did not contain these pieces, except as stray fillers for dates in which Philadelphia coins were not readily available. Thus gold coins had to be acquired from circulation or through banks and other commercial channels.

Thus it is demonstrated that as late as 1893, no concerted effort had been made to collect mint mark varieties of higher denominations, and only a few numismatists aspired to collect mint marks of the \$1 and \$3 values. Apparently no attempt whatever had been made to secure Charlotte, Dahlonega, San Francisco, New Orleans, or Carson City coins at their time of issue, or to preserve quantities of mint mark coins for investment or other purposes. Because of this, numerous gold coins which had been minted in large quantities were found by a later generation of numismatists to be extremely rare in Uncirculated state. Consider for example the 1876-S \$5, of which 4,000 were minted, and which is always found in worn grades. In Gem Uncirculated grade, equal today to MS-65 or better, apparently just one exists—the Garrett Collection coin which sold for \$34,000,³² despite a catalogue value of just \$275 (1969, the last year for which a catalogue value was listed).

Although Heaton laid the foundations for mint mark collecting in 1893, and although generous space was devoted to gold coins by mint mark varieties, his efforts did not precipitate a groundswell or, for that matter, even a serious ripple. Even by 1933, 40 years later, few numismatists were interested in mint mark sequences of the larger gold denominations. By that time, however, the collecting of \$1 and \$3 pieces by varieties had become firmly established.

Twentieth Century Numismatic Cabinets

As noted, numismatists of the late nineteenth century did not aspire to collect mint marks. T. Harrison Garrett, who collected from the mid-1860s until his untimely death in a yachting accident in June 1888, developed an interest in gold coins, acquiring numerous

rarities from W. Foster Ely, Harold P. Newlin, the Chapman brothers, and other specialists of the era; but the emphasis was always on dates, not mint marks. Two decades later his son, John Work Garrett, continued the family collection and added to it through the 1930s. Following John Work Garrett's death his collection, and the magnificent mansion housing it, were bequeathed to Johns Hopkins University. Similarly, Lorin G. Parmelee sought to form a comprehensive collection of U.S. gold coins, and by 1890 had built the most extensive cabinet ever gathered, but again he did not pay attention to mint marks. By June 1, 1889, the date of the first entry in his coin journal, Virgil M. Brand, a wealthy Chicago brewer, had begun to collect coins, eventually gathering a vast holding which by the time of his death in 1926 comprised some 350,000 pieces estimated to be worth several million dollars. While Brand had numerous gold Proofs and rare dates (including an 1822 Half Eagle and an 1861 Philadelphia Mint Paquet \$20), and although he had common date Double Eagles by the hundreds or possibly by the thousands (these were disposed of at face value after his death), there is no evidence that he seriously sought rare mint marks. William Forrester Dunham, whose collecting interest dated from the turn of the century and continued through the 1930s (his collection was sold by B. Max Mehl in 1941), also sought gold coins, particularly rarities, and at one time had an 1822 \$5, but mint marks were not his forte. Such other numismatists as John Story Jenks, James Ten Eyck, and Waldo C. Newcomer had impressive collections of gold coins (Newcomer once owned the unique 1870-S \$3), but mint mark varieties of larger denominations were ignored.³³

During the early twentieth century, gold coins were readily available at banks, although except for certain parts of the west they were rarely seen in everyday circulation. From all indications, Heaton's advice given in 1893, that rare mint marks could be obtained at face value from banks and other sources, was still appropriate in 1920. Emphasis continued to be on dates and dates alone, although a few numismatists, the aforementioned George Clapp among them, were beginning to set aside mint marks.

The Saint-Gaudens coinage of 1907, which is extensively detailed in many other places including my *United States Gold Coins: An Illustrated History*, will not be discussed at length here, except to state that upon the release of the MCMVII High Relief Double Eagles at the end of 1907, a popular speculation arose, and soon the coins had a market value of \$25 to \$30. This may have spurred additional interest in collecting gold coins, but if it did, the effects were not lasting, for Matte Proof and related Proof gold coins pro-

duced from 1908 through 1915 attracted few buyers. By 1920 the market for Proof Double Eagles dating from the late 1880s onward was so sluggish that B. Max Mehl, for one, stated (in a conversation with the present writer) that it was easier to turn such pieces in to the bank for face value, than to offer them for sale and have them bring \$21 or \$22.

In April 1933, it was announced that no more gold coins would be manufactured by the U.S. government, and, moreover, all earlier issues were to be surrendered to the U.S. Treasury, with the exception of certain pieces which were considered to be of numismatic value, including Quarter Eagles of all dates. By this time the collecting of gold coins, especially of larger denominations and by mint mark varieties, was not of interest to many collectors, and few cared that millions of mint mark pieces were headed to the melting pot. As a result, by 1935 countless rarities had been destroyed.

Relatively new on the coin collecting scene was Louis Eliasberg, a Baltimore gentleman who was to become a prominent banker during the 1930s, and who was first attracted to the hobby when he realized that gold coins would be withdrawn from circulation. Seeking to form a collection, he set aside pieces at face value; later he obtained numismatic reference books and decided to become a full-fledged numismatist. In 1942 he purchased en bloc the George Clapp collection through Stack's, paying an unheard-of \$100,000 for it—a sum greater than realized by the entire William Forrester Dunham collection sold by Mehl in 1941. By the late 1940s, Eliasberg was within striking distance of doing something no person had done before or has done since: acquiring one of each date and mint mark issue of U.S. coinage from 1793 onward. By 1950 his quest had ended, and he was the proud possessor of the 1870-S \$3, one of three known 1822 \$5 gold pieces, and numerous other legendary rarities. In the meantime, several collections containing mint mark coins had been formed and dispersed, notable among them being the Jake Bell and Col. James W. Flanagan holdings sold by Stack's in 1944.³⁴ Both Flanagan and Bell aspired to collect mint mark varieties.

By the late 1940s, as Louis Eliasberg drew close to his goal, several dozen numismatists competed to put together sets of Saint-Gaudens \$20 pieces, 1907–32 by mint mark variety. Especially in demand were the branch mint issues from the late 1920s. The William Cutler Atwater Collection sold by B. Max Mehl in 1946 contained numerous mint mark gold coins. The \$10 pieces were described as “virtually complete in all mints,” while the \$20 denomination was offered as “from 1850 to 1920 complete in all mints.”

The collection of movie personality Adolphe Menjou was sold at

auction in 1950 by Numismatic Gallery (Abe Kosoff and Abner Kreisberg) and included many mint mark issues. The vast numismatic holdings of King Farouk of Egypt, sold at auction in February 1954, contained many gold rarities, primarily in the Proof and pattern series.

To detail the collections of coins sold at auction or still intact from the early 1950s to date would involve many pages. Suffice it to say that in modern times collecting gold coins by date and mint mark sequence has emerged as a popular discipline, and many authors, Walter H. Breen and David W. Akers prominent among them, have studied the subject intensely and have published fine reference books. The firm of Stack's, Numismatic Gallery (originally Kosoff and Kreisberg, later Abner Kreisberg joined with Jerry Cohen), Paramount International Coin Corporation, New Netherlands Coin Company, Superior Galleries, Rare Coin Company of America and others, including Auctions by Bowers and Merena, Inc., of which the author is co-owner, have produced many fine auction catalogues and have sold collections bearing such names as Davis-Graves, Garrett, Melish, Judd, Wolfson, Peake, Gilhousen, Carter, Kaufman, Brand, and Norweb, among a list of many others.

Deserving special mention is the collection of the pharmaceutical executive Josiah K. Lilly, formed over a period of years through the offices of Stack's. Following Lilly's death on May 5, 1966, executors of his estate consummated an arrangement with the U.S. government whereby in exchange for tax credit to the estate in the amount of \$5,532,208, his collection of gold coins would be donated to the Smithsonian Institution. Assisting with the appraisal were Abe Kosoff and Hans M. F. Schulman. Today the Lilly Collection is a proud part of the Numismatic Department of the Smithsonian and is a prime attraction for all those who visit there.

While these and other names have made the front pages of auction catalogues, a number of important collections have been formed behind the scenes. Harry W. Bass, Jr., former President of the ANS, assisted by Mike Brownlee, began in the 1960s the formation of what was to become a major coin collection. Harry developed his interest to the finest extent, and soon was conversant not only with history, mintages, and other technical details, but had discovered new die varieties and had aided the fund of numismatic knowledge.

While gold coin collecting of our own era is well documented in auction catalogues and books of our own generation, less well documented are the activities of our numismatic forebears. It is hoped that the present discussion will illuminate in particular the collecting scene as it existed for gold coins during the nineteenth and early twentieth centuries.

¹ *Coinage Laws of the U.S., 1792 to 1894*, 4th rev. ed. (Washington, DC, 1894), Section 9, Act of April 2, 1792.

² *Pledges of History: A Brief Account of the Collection of Coins Owned by the Mint of the United States* (Philadelphia, 1846). The story of the establishment of the Mint Cabinet may be read in more detail in DuBois's obituary published in *AJN* 16 (1881), pp. 44-46.

³ See Jacob R. Eckfeldt and William E. DuBois, *A Manual of Gold and Silver Coins of All Nations, Struck Within the Past Century* (Philadelphia, 1842); and John H. Hickcox, *An Historical Account of American Coinage* (Albany, 1858). Hickcox's work related little about gold coins except as a part of quoted coinage documents and legislation. Mintage figures are given for gold issues of 1856 and 1857 which, unlike those listed by Dickeson (below, n. 4), combined the output of various branch mints.

⁴ Montroville W. Dickeson, *The American Numismatist's Manual of the Currency or Money of the Aborigines, and Colonial, State, and United States Coins. With historical and descriptive notices of each coin or series* (Philadelphia, 1859).

⁵ Dickeson (above, n. 4), p. vi.

⁶ Dickeson (above, n. 4.) p. 155.

⁷ Dickeson (above, n. 4), p. 156. It is interesting to note that Dickeson did not seem to adhere to the modern distinction between type and variety. In fact, the distinction was not clearly drawn even in the 1880s, and issues of the *AJN* are filled with comments regarding the proper usage of these terms. For example, after the appearance of Frank D. Andrews' *An Arrangement of United States Copper Cents, 1816-1857. For the Assistance of Collectors* (Vineland, NJ, 1883), his conflation of the meanings of the two terms caused some heated debate in the editorial pages of *AJN*.

⁸ Dickeson (above, n. 4), p. 166.

⁹ Dickeson (above, n. 4), pp. 241-42.

¹⁰ See above, n. 8.

¹¹ J. L. Riddell, *The Mint of New Orleans. With an account of the Process of Coinage* (New Orleans, 1845); reprinted by courtesy of Eric P. Newman in *The Numismatist* 1968, pp. 439-45.

¹² Dickeson (above, n. 4) pp. 247-48.

¹³ The contents of Seavey's gold cabinet were published in "List of United States Gold Coin," *AJN* 3 (1869), pp. 91-92, and reveal that he collected only Philadelphia issues.

¹⁴ A.G. Heaton, *A Treatise on the Coinage of the United States Branch Mints* (Washington, DC, 1893). The work is also known by its short title, *Mint Marks*.

¹⁵ Heaton (above, n. 14), p. 4.

¹⁶ Heaton (above, n. 14), p. 11; see also Dickeson (above, n. 4), p. 155. These two statements are similar, suggesting that Heaton utilized Dickeson's earlier work when preparing his own.

¹⁷ Heaton (above, n. 14), p. 11.

¹⁸ Heaton (above, n. 14), p. 11. In the 1960s the Whitman Publishing Company produced albums for certain modern series of coins (not including gold) by date alone, suggesting that collectors could ignore mint marks and simply collect by date sequence. The idea, which would have been perfectly acceptable in Heaton's time, was not well received in the 1960s, and the line of holders was dropped.

¹⁹ Heaton (above, n. 14), p. 12.

²⁰ Heaton (above, n. 14), pp. 43-49.

²¹ Heaton (above, n. 14), pp. 44-45.

²² Heaton (above, n. 14), p. 44.

²³ Heaton (above, n. 14), p. 44.

²⁴ Today we know of three basic 1856-S varieties: large, medium, and small S mint marks.

²⁵ Heaton (above, n. 14) p. 46.

²⁶ Heaton (above, n. 14), p. 46.

²⁷ Heaton (above, n. 14), p. 47.

²⁸ Heaton (above, n. 14), p. 47.

²⁹ Heaton (above, n. 14), pp. 47-48.

³⁰ Heaton (above, n. 14), p. 48.

³¹ Heaton (above, n. 14), p. 49.

³² Bowers and Ruddy Galleries, Nov. 28-29, 1979 (Garrett), 487.

³³ See *AJN* 30 (1895), pp. 25-26, where a correspondent (W. P. B. of New York, otherwise unidentified) inquired of the editors about the differences between the regular issue 1861 \$20 and the Paquet reverse 1861-S \$20 gold pieces. The editors of the journal noted: "We have to say in reply that while these differences have not been specially noted in any descriptions of the coin, so far as we remember, they have, we are informed, long been known to the few collectors who carry gold of this denomination in their cabinets...." Clearly even in 1895 there were very few collectors who included Double Eagles in their collections, and probably fewer still included them in any systematic fashion.

³⁴ The Bell collection was formed by Jacob "Jake" F. Shapiro, owner of the Bell Discount Company, a Chicago financial firm. He used the name J.F. or Jake Bell in his numismatic transactions. Later his son, David Shapiro, became a principal in the Rare Coin Company of America located in the same city.

The Politics of Coinage as Illustrated by Recent Commemorative Issues

James A. Hayes

**Coinage of the Americas Conference
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This is not the first time I have been to the American Numismatic Society. As a senior in high school I came into this building to see the Confederate half dollar. While it is no longer on display, the Society continues to exhibit some extraordinary things. It is certainly fortunate for all of us that the Society exists.

I have chosen to speak on the politics of coinage because I think it is a topic that is discussed more than you might imagine in numismatic literature but not identified as such. When I was a child in Lafayette I turned to the pages of one of the only sources of information available, Yeoman's *Guide Book*.¹ The illustrations were of course the first thing that attracted me, as they attract anyone at any age. The empathy you feel toward certain designs is probably the irrepressible motive that brings most people to collect not only coinage but anything else. But the dates, the beginnings and ends of the periods of time in which designs were used, are also direct political records. It is no accident that our first coinage was struck in 1792; it falls at the end of the First Congress of the United States in authorization, at the onset of the Second Congress of the United States in implementation.

Throughout the *Guide Book*, in the section headings, are to be found references to "Acts of Congress." If you scan the pages, you will see arrows appear in leaves, rays introduced to the reverse: all of these things correspondingly depend on acts of Congress. When people say it "takes an act of Congress to do it," the fact of the matter is that it does, because in September 1787, in Section 8 of the first article of the Constitution, we placed the legislative power to make coins in the hands of the Congress of the United States. It has rested there for two centuries; each and every change, no matter how minute, has in some manner a political source and a political consequence.

HR 3251

Let us take the case of a recent commemorative coinage proposal and see what it illustrates—let us turn to HR 3251. One of the first things you learn as a Member of Congress is that in order to get an HR you have to write a bill; you put the text into a hopper which is right where you see it on television, to the right of the viewer as he looks at the speaker. There is no fanfare; a leaflet is quietly dropped in on a noisy afternoon and it is given a number. In this instance, on September 10, 1987, Dante Fascell of Florida dropped in an unpretentious bill requiring simply that we have a Bicentennial of the United States Congress Commemorative Coin Act. It specified the denominations that ultimately resulted—a half dollar,

dollar and five dollar gold coin. The concept was similar to previous programs of recent years commemorating such events as the Olympic games.

So on September 10, we initiated and five days later, on September 15, referred the bill to the appropriate subcommittee, Consumer Affairs and Coinage, a subcommittee of the Committee on Banking. It is important to recognize this committee process as it has developed in Congress. Sometimes when we move beyond the Beltway in Washington, we have the feeling that every legislator handles everything. The letters that I receive in my office daily are on every imaginable subject, and each one of these will move toward its niche in a legislative effort.

The Committee on Banking moves everything related to coinage. The Subcommittee on Coinage was combined with Consumer Affairs in order to hold down the number of subcommittees. We already have enough with 17 full standing committees, and their subcommittees which now total over 100.

Remarkably, hearings were held on HR 3251 on September 15, the same day it was referred. Markup was held on September 15 and on September 29 the bill was moved up on the House calendar under a suspension of the rules.

What that means is that there is a quiet day on the floor and non-controversial measures are usually listed automatically by voice vote; in the rare case when someone calls for a vote, it usually refers to a previous motion and allows it to be voted on the following day. For example on Monday, when I get back to Washington D.C., there will be eight or nine bills stacked up. These will not be voted until late in the afternoon no matter when they were debated, if there are votes at all. They are all under suspension, all allegedly non-controversial as was HR 3251. It was passed by voice vote on September 29, the same day it was brought up. The following day it went to the Senate Banking Committee. So far, so good.

In May of 1988, the Senate Banking Committee finally took up HR 3251. In June it was reported to the Senate with a few amendments, and placed on the calendar June 10. June 15 there was a motion to proceed to consideration; June 15 it was laid before the Senate and passed, with a few amendments, 96-0. On June 23 the House agreed to most of the amendments but disagreed with some, so on July 12 the measure was laid before the Senate by unanimous consent. The Senate concurred with most amendments, not all. The House agreed to the Senate amendments on July 13 and cleared the bill for the White House. On July 27 it was presented to the President, on August 1 it was signed by Mr. Reagan and became Law

100-378. Great story, right?

It has absolutely nothing to do with commemorative coinage. That bill died 24 hours later. The amendments that I glossed over were amendments put in during the late days of July. As I said earlier, it was the Banking Committees—the act extended for one year, until August 10, 1989, the moratorium on voluntary termination of Federal Savings and Loan Insurance Corporation insured status. All other provisions were repealed. The Senate used this vehicle to accomplish an emergency need in banking and therefore sacrificed the commemorative bill in order to get the FDIC and FSLIC issues before the President of the United States by the end of the year. The bill began, it ended.

There is an educational film used in schools to show how a bill is passed. The film shows how a bill starts with filing and then moves to subcommittee. Hearings are held, then it goes before the full committee, then before the House. The same thing occurs in the Senate; the two houses get together in conferences, and finally there is a conference report. That is voted on. If passed it goes to the President who either signs it, vetos it or does nothing. It becomes law. That is perhaps true in the sixth grade, but in Washington D.C. things are more bizarre.

HR 5280

Let us jump to the next year. Now we're dealing with a different House bill—HR 5280. Undaunted by what happened the previous year, Dante Fascell, on September 13, files a slightly different bill. This one contains the same provisions he originally had for all the proceeds to be applied toward retirement of the national debt. The bill has the same title and this time he doesn't even have a hearing. He's able to move it more quickly because of the hearing the previous year.

On October 1 the new bill is referred to the Subcommittee on Consumer Affairs, on October 3 called up by the House, on October 3 considered by the House as unfinished business. On October 4 it is passed on a vote of 411-8—very controversial. October 5 it is received in the Senate and read twice. Apparently that took two days. On October 7 the measure is laid before the Senate by unanimous consent, October 7 it is passed by the Senate with a mild amendment by voice vote. October 20 the House concurs in the Senate amendments. On October 20 the Senate agrees to the House amendment by voice vote and it is cleared for the White House. On November 10 it is presented to the President, and signed by him November 17 to become Public Law 100-673.

This time it went through quietly and without political controversy, didn't it? Not quite.

The original bill, under Section 8, had provided that "...all surcharges received by the Secretary from the sale of coins minted under this Act shall be deposited in the general fund of the Treasury and shall be used for the sole purpose of reducing the national debt." The bill the President signed contains a slightly revised form of Section 8, resulting from a compromise. In summary, it provides that the first half of the first \$40 million in surcharges shall be deposited in the Capitol Preservation Fund and available to the United States Capitol Preservation Commission. That's good—except there was no Capitol Preservation Commission. But a few days later there was one. The bill creating it came out of the Senate, was concurred in by the House, and the President decided to sign these bills in *reverse order* of their passage. Therefore the Capitol Preservation Act was signed after the Commemorative Coin Act and the Preservation bill contained language that funnels *all* of the funds and the surcharges to the Capitol Preservation Fund and the Capitol Preservation Society. Therefore by reversing the order between passage and signing what we now have is a lot of money going to the Capitol Preservation Fund.

This is an illustration of politics in coinage. It was certainly not the original intention to use this commemorative coinage vehicle to create the Capitol Preservation Fund or to finance it. But in the political arena, particularly toward the end of the year, when people are scrambling to complete legislation, vehicles are sought in both the House and the Senate to accomplish these ends. This has been true for years. Some of you may remember the 1960s when Senator Everett Dirksen passed the School Prayer Bill as an amendment to National Little League Baseball Day, a commemorative bill which was then in the Senate. We are not dealing with something new but we are dealing with something that is very, very real. The Capitol Preservation bill was one of the projects of Senator Robert Byrd of West Virginia, then the Majority Leader in the Senate. From that position and with a pretty good staff he found a vehicle which was very attractive, which was very popular on both sides of Congress and he was able to utilize it in order to accomplish his goal. I don't criticize him for that, I commend him for it.

Passage of the bill also brought about a second floor fight. Section 4 of the original bill, dealing with design of the coinage, provided for "consultation" between the Commission of Fine Arts and the Secretary of the Treasury. In the subsequent bill that became law, Section 4 states that the "design for each coin authorized shall

be selected by the Secretary after consultation with the Speaker of the House of Representatives, the President pro tem of the Senate, and the Commission of Fine Arts.” In the interim, Senator Byrd had become President pro tem of the Senate. I suspect that is not a coincidence. In the intervening legislation we also moved from the Commission of Fine Arts to the Capitol Preservation Society which was going to make recommendations (though it didn’t exist) and we then moved to the particular individual interested in, and the driving force behind it, Senator Byrd.

How then did the Speaker of the House get involved? Speaker Jim Wright was not particularly desirous of getting involved with anything during these times in 1988. But even before the Speaker was elected a member of Congress, he was a close friend of Mrs. Corinne C. Boggs, the dean of the Louisiana delegation who also happens to be the Chairman of the Bicentennial of Congress Commission. Mrs. Boggs asked the Speaker to become involved, so that the input of the Architect of the Capitol as well as those who had appeared before the Commission could be equally felt. So you end up with a political compromise that has the Speaker of the House, President pro tem of the Senate, the Fine Arts Commission, but ultimately poor Mr. Brady having to make each one of these groups happy and having to distill these various inputs into his final decision.

The Politics of Implementation

I now move from point one—the politics of legislation to point two—the politics of implementation. As you can imagine the competition among artists to become part of the unique numismatic history of America is very keen. Those who were interested in this particular opportunity submitted a multitude of different designs. The political consequences of those submissions are something that numismatic scholars sometimes overlook. This is not the first or the last time it will happen.

Three designs were represented in the press kit circulated by the U.S. Mint. These designs reflect the political sensitivities of a House leader, a Senate leader and the Secretary of the Treasury, endeavoring to make everybody happy.

The reverse design of the dollar is the mace which resides in the House of Representatives; it never leaves there. It belongs to the Office of the Sergeant-at-Arms or it’s on the House floor. The mace is placed on a pedestal when we go into the Committee of the Whole.

The reverse of the five dollar coin is the magnificent eagle you



1. U.S. Congressional Coins, 1989.

will see if you watch a rerun of *Mr. Smith Goes to Washington*, right behind Jimmy Stewart as he makes an impassioned plea for the young men who want to save their property from being dammed up and flooded. The eagle has never left the United States Senate.

Finally, the reverse of the half dollar is the Capitol with both the House and Senate grounds showing. So we have an emblem of the House, an emblem of the Senate and an emblem of the full Congress.

The obverse designs are the complete Capitol Dome which is dead center between the Senate and House Chambers; the magnificent bronze statue of Freedom which stands atop the dome dead center; and a closeup design on a half dollar of that same figure dead center. We have compromised perfectly then the interests of the Senate and the interests of the House, and we have laid down the geographic boundary that's the midpoint of both chambers in order to design the coinage commemorating this Capitol.

This is political implementation, based on the give and take of those present, each one wanting to assure a portion of the body that he represents as well as those things that are emblematic for all people. The point that I wish to emphasize here is that political considerations have always been a part of coinage and will probably

always be. This has been true from the time that we argued in the Second Congress of the United States over the compensation that would be paid to the Chief Coiner, to the time that the Secretary of the Treasury had vehement arguments with President Theodore Roosevelt over redesign of coinage, to a few months ago when we had acceptance by committee of the final designs for what I think is a beautiful series of commemorative coins.

In the future, I would propose that numismatic scholars record the legislative histories of coinage bills as they are proposed; document the hearings and comments when made; conduct interviews with key members; and solicit the private papers of those who make the decisions in order to preserve the information in research institutions such as the ANS. Then posterity can look back to previous occasions, as I would love to look back now and learn precisely what went into the work of Augustus Saint-Gaudens, Hermon McNeil, or James Earle Frazer. The political part of the process usually passes solely into volumes of paper, the personality aspects disappear and archaeological work is needed to connect what happened with those people who were the driving forces behind the legislation. Once lost, this information is virtually impossible to reconstruct.

Means and Ends

A final note on political consequence is in order here because to me it is quite personal. I no longer collect coins. I do however retain vivid memories of the time that I did, the people that I knew and the people that I still know, the friendships made. The politics of that are very simple.

The Capitol Commemorative issues, like so many others before, will be found attractive and purchased based upon the criteria of design and subject matter. Almost every commemorative coin issue based on popular subject matter, beautifully executed, has sold very well. Those that have had some criticism of the design or were not a particularly popular idea, although considered worthy of commemoration, have not done well.

In the current case, during the first five weeks surcharges amounting to \$10 million have been collected through this commemoration of the bicentennial of the Congress of the United States. I don't know what the final figures will be. I suspect the mintage will be fairly low, for we are going through a period of time when public criticism of the Congress is very, very high. So, despite what I think is often excellent design work, the subject matter itself may not be remarkably appealing. That is wrong and unfortunate.

The Statue of Freedom (which some people confuse with the

Statue of Liberty) that sits atop the Capitol Dome has been there since Abraham Lincoln was President. Beneath this Dome, the remarkable panoramic painting of major American events from Columbus's landing to the Civil War, was completed after his death in 1865. Directly below that chamber is the crypt that would have been prepared for George Washington who refused to be buried on the Capitol grounds, insisting instead on being buried in his native Virginia. Beneath it is Statuary Hall where each State is represented by those personalities deemed by the State Legislatures to represent some of the best and the brightest. To the east and the west are the lawns where presidents have been inaugurated: to the east is where John Kennedy stood and delivered the famous address that school children now recite; to the west is where Ronald Reagan broke tradition and was inaugurated as president, followed recently by George Bush. The gardens that President Bush looked down upon were designed by Olmsted who also did the work at Central Park in New York City and who also happens to have done the magnificent design at the Audubon Zoo in my home in New Orleans.

The art work contained in the House of Representatives and the Senate is virtually unparalleled. The brass and marble work is unlike anything elsewhere. Unfortunately much of this grandeur is lost through improper or deficient lighting. There are magnificent oils that you cannot even see as you go up the chamber steps to turn in to vote. I think the 4 million Americans who tour the Capitol every summer should have an opportunity to see it better and in a finer state of repair.

So I salute Senator Byrd who used 50 years of legislative experience and his intimate knowledge of parliamentary procedure to get the money to allow millions of people to see an impressive national treasure. I would like to see this commemorative issue much more readily accepted by the American people. What is wrong with Congress, always in the public view, is also what is right with Congress. The deficiencies of the people who serve in the Senate or the House are nothing more than a reflection of the fact that for 200 years people have directly participated in Government. The House of Representatives is in fact a microcosm of the American people. It is what James Madison, John Jay, and Alexander Hamilton intended it to be 200 years ago when they set its boundaries geographically in the Constitution and when they set its boundaries politically in that same document. In the Ladies Caucus Room is a bench where John Quincy Adams, the only President of the United States ever to return to Congress as a member of the House of Representatives, stood in 1848 to make an impassioned speech regarding the

despicable practice of slavery in America. Suffering a heart attack, he collapsed; he was carried on that bench into the open room, where he died, by three lawyers who served in that Congress of 1848. One of them made the plaque still displayed there—his name was Daniel Webster. Another helped carry the crypt—his name was Henry Clay. The third was a Congressman from Illinois named Abraham Lincoln.

This is the heritage that goes into the issuance of these coins and the symbols that are placed upon them; but unlike any other museum in the world, its collecting history continues each and every day. It is an evolving and continually growing museum; a political thought process that is unparalleled on the face of the earth. There in small gold letters as you enter to vote in the House of Representatives is a single phrase reading: "We have built a Capitol not a Palace, we consult no oracle but the Constitution." With all its frailties and all its faults, it is still the most extraordinary political institution in the history of the thoughts of man. I deem it worth a few dollars on a coin.

¹ R.S. Yeoman, *A Guide Book of United States Coins* (Racine, WI); issued in annual editions.

Reflections on the Gold Coinage of the Twentieth Century

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All reflections on life and history result in a mixture of happiness and sadness, and so it is with the subject of this paper. The first decades of this century were the last to see circulating gold coinage, when people still had the pleasure, even the tactile pleasure, of using gold coins on an everyday basis. How dreary by comparison are our present clad or "sandwich" coins, their original intrinsic qualities cheapened by mass production and recurrent inflation.¹

Even a silver coin offers great aesthetic rewards. The older it becomes the more beautiful the patina; the more hands it passes through, the more brilliant the highlights of the relief. For these reasons I often regret that the George Washington silver half dollar I designed in 1982 was only a commemorative issue, designed for a plastic-encased existence.

Gold coins had practical advantages as well. In those days before World War I they gave everyone with a few gold coins in his pocket monetary freedom of movement, since gold was the universal currency. We did regain that freedom of unencumbered travel half a century later thanks to a different and not very aesthetically pleasing form of money—the plastic card. Will there come a time when the American Numismatic Society maintains here a collection of credit cards, or even plastic legal tender cards?

It is no coincidence, in my opinion, that the last good circulating coins were produced in what appears also to have been the last truly civilized period of our century. These coins came into being in that period before World War I through an extraordinarily fortuitous circumstance: a president's almost obsessive intention to give his compatriots a magnificent new coinage, and the personal relationship of that president, Theodore Roosevelt, with one of the greatest sculptors of the period, Augustus Saint-Gaudens.

Whatever one might say or think of Saint-Gaudens' coins, to appreciate fully the magnitude of his achievement one must look back, however briefly, to the gold coins of the late nineteenth century. Among the coins which continued to be struck until 1907 and which remained in circulation along with the new Double Eagles and Eagles by Saint-Gaudens (figs. 1-2) until 1933 is the James B. Longacre Double Eagle (fig. 3), first issued in 1849; its design was based on the 1839 Eagle by Christian Gobrecht. He in turn had based his design on the Half Eagle of William Kneass, who had redesigned John Reich's Liberty head of 1807. In short, despite a number of minor alterations, the basic composition had not changed for a hundred years, and it is no wonder that a president like Roosevelt wanted to change the nation's coinage.

Comparison shows at once how iconoclastic Saint-Gaudens' ap-



1. U.S. \$20, 1907
(Saint-Gaudens)

2. U.S. \$10, 1907
(Saint-Gaudens)

3. U.S. \$20, 1907
(Longacre)

proach had been: the break with tradition is drastic, as if to form part of the artistic revolution that erupted in Europe after the turn of the century. A common thread is the searching mentality and the desire to stretch established conventions—where possible, to discard them entirely. Yet in this case the goal had to be and was achieved by Saint-Gaudens within the one inescapable limitation—that of the circular format.

Even devotees of nineteenth-century coins admit that the Longacre coin is static in style; the Saint-Gaudens design is full of movement and vigor, radiating the hope of a new age. The most obvious contrast is the surface, almost entirely filled, in which the symbolic elements appear in a narrative context rather than in the isolation of nineteenth-century coins. A closer look at the model that Longacre used, the Eagle by Christian Gobrecht issued from 1839 through 1907 (fig 4), shows how slight are the differences in



4. U.S. \$10, 1839
(Gobrecht)

5. United Kingdom,
4 Pence postage



6. U.S. \$10, 1907
(Gobrecht)



7. U.S. \$5, 1907
(Gobrecht)

proportions of the head, the treatment of the hair with the added beads, or the size of the date. Such trifling changes could do little to improve Gobrecht's uninspired attempt to perpetuate at the Mint the imported Empire style of the Napoleonic era.

One might also allude to English neoclassicist traditions, even in such mundane manifestations as postage stamps with portraits of the then-young Queen Victoria (fig. 5). Our coins of 1839 and 1840, which follow closely upon her coronation in 1837, seem to appropriate her young idealized profile, turned leftward, with upswept hair. It is as if our young republic was now embarrassed by the earlier rendition of Liberty in Phrygian cap and drapery, looking, in the words of Cornelius Vermeule, like "a milkmaid on her way to the fair."² The replacement was an altogether more regal image, which included a diadem or coronet enhancing the head as well as ever more elaborate hair styles. This coronet type remained essentially unchanged and was minted from 1839 to 1907; as David Bowers has observed, this was the longest lifespan of an unrevised design of any coin in American history.³

What is true of the obverses is also true of the reverses. Thus the Eagle and the Half Eagle share the same design, based on the 1807 reverse by John Reich, adapted through the decades to various obverses (figs. 6-7). The only noticeable difference between the Eagle and the Half Eagle appears to be the size and thickness of the lettering. One wonders whether this conservatism was the result of a young republic's desire to establish its own traditions (including the laudable one of prohibiting the likenesses of living individuals) or just the indifference of a commerce-oriented society for which coinage had only a utilitarian significance.

Victoria's long reign ended with her death in 1901, a date of symbolic significance since it was also the year in which Roosevelt—the youngest president ever at 42 years—entered upon his first term with an explosion of vitality and optimism appropriate to the new century. Roosevelt's extraordinary energy permitted him not only

to attend to political issues of the day, but to focus on the redesign of a coinage representative of another era.

In the eyes of the public the change must have appeared dramatic when at last the new coins were issued in 1907. The continuation of the older issues in circulation meant that both designs were constantly before the public eye. The contrast between the reverses was just as striking as that between the obverses. Longacre's heraldic eagle, which had been in existence since 1849, is very decorative, but in such a balanced way that it is actually quite elegant (fig. 8). The first version of the Saint-Gaudens reverse with its flying eagle does not yet carry the legend *In God We Trust*, which appears in subsequent issues after it was imposed by law in 1908 as a permanent fixture on all U.S. coins.



8. U.S. \$20, 1907 (Longacre)

The creation of the new coinage of 1907 not only involved two illustrious protagonists but thanks to their correspondence it also remains one of the most vividly documented episodes in our numismatic history. The letters reveal Roosevelt's and Saint-Gaudens' mutual understanding and growing friendship, as well as a rare case of collaboration between artist and statesman.⁴ In the spring of 1901 the sculptor was asked to join the Commission for the Improvement of the District of Columbia, and thereafter frequently saw the ten-year-younger Roosevelt. The Vice President was also familiar with Saint-Gaudens' work. After having seen his sculptures on view at the Pan-American Exposition in Buffalo in May 1901, he had lunch with Saint-Gaudens on the train trip back, an experience he described as "great fun."

After McKinley's assassination in September, Roosevelt became President, and by Executive Order made Saint-Gaudens, together with Frederick Law Olmsted and the architects Daniel Burnham and Charles McKim, consultants to the Board of Public Buildings. Roosevelt referred to this select group as his "art cabinet," and as such it represents a direct antecedent to today's Fine Arts Commission. After the election of 1904, Saint-Gaudens was asked by the



9. Roosevelt Special Inaugural Medal, 1905



Citizens' Inaugural Committee to design the President-elect's portrait medal (fig. 9). The modeling was entrusted to one of his principal assistants, Adolph Weinman, who would later win the 1916 competition for new dime and half dollar designs. Saint-Gaudens' work on Roosevelt's portrait must have deepened their relationship and helped to direct the President's thoughts toward the renewal of the country's coinage.

Two days after Christmas 1904, the President made his first, slightly conspiratorial move, writing to Secretary of the Treasury Leslie M. Shaw:

I think our coinage is artistically of atrocious hideousness. Would it be possible, without asking permission of Congress, to employ a man like Saint-Gaudens to give us a coinage that would have some beauty?⁵

Within three weeks Roosevelt had advanced the matter enough to tell Shaw:

Of course he is to be given an absolutely free hand...it is of the utmost importance that the artist should be left absolutely unhampered in working out the design and execution of the coin or medal. I do not wish there to be the slightest interference with Saint-Gaudens in connection with the coinage from its artistic side.⁶

This statement—surprisingly sensitive to the dichotomy inherent in mass-producing works of art—must have been music to the artist's ears. It certainly is so to the few in the service of today's government, which has lost the capacity to understand creative processes and to take such a truly humanistic attitude towards art. What a contrast to the inevitable mass production schedules of today's mint, and their often nearly impossible deadlines, which have to be met just to get models to the marketing agents, literally before the plaster is dry. Saint-Gaudens' son Homer remembered: "To accomplish this result [the obverse and the reverse of the Double Eagle] my father altered and realtered the coins for a year and a half." Specifically about the reverse he writes, "in all, he created 70 models of this bird, and often stood twenty-five of them in a row for visitors to number according to preference."⁷

Whatever time and effort it took, the result is indeed our most majestic coin, if not the most sculptural in all modern coinage. On display in one of the mint's hallways is a twelve-inch bronze cast of the Double Eagle's obverse. Every so often I run my fingers over the high relief of the standing Liberty, and indeed the relief is so pronounced, so sensuously sculptural, that the loss of this quality

in the course of the coin's execution will always be regrettable. But the problems that such relief presents in coining are hard to solve except by reducing its height. They remained after Saint-Gaudens' death a source of frustration for Henry Hering, the assistant who made the revised plaster casts.

Saint-Gaudens described his ideas regarding the emerging design in a letter to Roosevelt in November 1905:

...on the other side I would place a (possibly winged) figure of liberty [*sic*] striding energetically forward as if on a mountain top holding aloft on one arm a shield bearing the Stars and Stripes with the words Liberty marked across the field, in the other hand perhaps a flaming torch. The drapery would be blowing in the breeze. My idea is to make it a living thing and typical of progress.⁸

However much Saint-Gaudens succeeded in making the design a "living thing," for the source of his inspiration he could not but



10. Nike of Samothrace, ca. 190 B.C. (Louvre, Paris)

go back to antiquity. This was also in accord with Roosevelt's virtual dictate that the United States was to get a coinage that would rival that of ancient Greece. It is worth taking a closer look at the now-familiar image of the obverse to get the full measure of the prototype's transformation and the resulting innovation.

Saint-Gaudens broke with the neo-classicist tradition of the eighteenth century by abandoning the abstract plane of the empty background. Moreover, he ignored the antique convention of presenting relief figures in side views. In response to Roosevelt's request for coins with the highest possible relief, his Liberty appears in a frontal posture that clearly implies three-dimensionality. At the same time this posture also imparts spatial depth to the background: Liberty is to be perceived as having ascended the summit. This effect becomes even more obvious in comparison with her famous antecedent, the Victory of Samothrace (fig. 10), which was meant to have descended from the sky onto the prow of a ship. Her torso still convincingly displays the violence of the arrested movement.

There can be little doubt that this hellenistic sculpture had made a profound impression on Saint-Gaudens—probably the more so as he had first seen it at the age of 19 in 1867, only four years after it had entered the Louvre. When Saint-Gaudens himself took up the subject of a walking Victory as part of the Sherman monument for New York, he was again in Paris, living and working there from 1897 to 1900.

Yet the Liberty of the Double Eagle is not just a variation on a hellenistic theme, but a complex and involved composition. The posture, for example, still conforms to the classic canon of the fourth century B.C. as to which leg should carry the weight or which arm should be outstretched. In her motion the Liberty occupies an intermediate stage. The hellenistic figure is all movement, the body's forceful motion appears independent and directed against the equally forceful counter-motion of the many-folded garment. Saint-Gaudens has his Liberty make steady moves upward, maintaining her poise from step to step. Her hair and dress—a Greek chiton—are billowing in what is obviously a calmer breeze. With her right arm she holds up the torch—more precisely, she presents the flame of freedom to the people for them to guard eternally, if they are to enjoy the prize of peace. She promises that peace with the olive branch held in her laterally extended left arm.

Among sources of inspiration for Saint-Gaudens is the famous *Liberty Leading the People* of 1830 by Eugène Delacroix (fig. 11). The importance of this painting, which in our day has acquired the status of an icon, will not have escaped Saint-Gaudens. In particular



11. Delacroix, *Liberty Leading the People*, 1830 (Louvre, Paris)



12. Saint-Gaudens, Plaster sketch for \$20 obv., 1905 (courtesy of the Saint-Gaudens National Historic Site, Cornish, NH)

the ascending movement of the young woman to the top of the taken barricade may have played a role in his own composition. Delacroix's Liberty also represents one of those iconographically interesting transitions from the Nike/Victory goddess of antiquity to the modern, more mortal personifications of Liberty. As one would expect, she loses some of her divine qualities. In Saint-Gaudens' design process, she quite literally loses her wings (fig. 12).

Even Saint-Gaudens' contemporaries observed that "none of his predecessors had recognized the possibilities of low relief; he revealed them."⁹ His approach—to fill the field of a coin with elements of sufficient substance to render it a miniature bas-relief—is equally evident on the reverse of the Double Eagle. Although its relatively larger elements make the composition of this side less a tour-de-force of scale, "the eagle in flight against the sun...achieves complete domination of motion and expanding vista over the confines of a tiny tondo."¹⁰ There was, incidentally, the precedent of a realistically rendered flying eagle, which Gobrecht had designed for a silver dollar in 1839 and which, in its later Longacre reincarnation of 1857, Saint-Gaudens is said to have much admired.

Before his death in 1907, Saint-Gaudens had only been able to fulfill Roosevelt's second request for a new Eagle coin, which some consider even a greater achievement. Before discussing the coin itself, however, I should like to relate my personal encounter with one of its manifestations. On assuming my position as Chief Engraver in 1981, I was given the usual tour of the mint premises and shown the vault, which is the Chief Sculptor and Engraver's exclusive responsibility. This vault contains not only current work, but also fascinating pieces of history: dies and hubs going back to the turn of the century, including many made for various foreign governments. The hidden treasures I discovered afterward were a couple of shoe boxes filled with copper patterns of the last century, and nearby, to my pleasure, bronze castings of the obverse and reverse of Saint-Gaudens' Eagle. I also want to mention another pair of castings, not just because they were of one of my favorite coins, the Buffalo nickel, but because its designer, James Earle Fraser, had been a principal assistant of Saint-Gaudens.

All these relics I had properly mounted and hung on the then-bare walls of my office. While this collection serves its invaluable study purpose and, I might add, acts as a constant reminder of the artistic standards every Chief Sculptor and Engraver should endeavor to reach, I have also wondered whether it should not be made accessible to a larger public and placed in proper curatorial care, such as only a museum can provide.

Whether as a consequence of familiarity or of its perfection, one always has to take a second look to be reminded how unusual the image on the Eagle obverse is in its combination of idealized Greek beauty and native American symbol. Saint-Gaudens' model had originally been designed as a Victory head, intended for alternative versions of other pieces in the series. Roosevelt, however, had a different idea: he wanted an Indian feather headdress applied to the female profile on the obverse of the Eagle.

Roosevelt's enthusiasm for the proposed design matched his delight in the Double Eagle piece. In a complimentary letter to Saint-Gaudens he remarks, "of course, all the designs are conventional, when embodied in a woman's head, and I don't see why we should not have a conventional headdress of purely American type for the Liberty figure." And in a subsequent letter he reiterates his argument:

Really, the feather head-dress can be treated as being the conventional cap of Liberty quite as much as if it was the Phrygian cap; and, after all, it is *our* Liberty not what the ancient Greeks and Romans miscalled by that title—and we are entitled to a typically American head-dress for the lady.¹¹

The bronze cast that I have hanging on my wall is a rather rough casting of the Eagle's final version, that is with the date 1907 instead of the word Liberty inscribed at the base. In studying the cast I am always surprised by the contrast between the modeling of the head, the stars and numerals, and on the other hand the rendering of the feathers and the word Liberty. The former elements are quite clearly defined—the edge of the profile more than the surface modulation of the face itself, while the feathers are treated with such subtlety that they seem to fade into the background, except for a few more detailed ones interspersed here and there.

What Saint-Gaudens achieved was to create volume without mass, to use a sweeping shape, which in the most elegant way follows the contour of the coin, to fill entirely one quarter section of the circle. It is obvious that the nineteenth-century formulas have been abandoned for good, not so much in the overall asymmetry of the design as in the less visible tension with the symmetrical parts of the composition. The row of stars is regular, the date is positioned axially under the beveled truncation of the neck, which functions almost as a pedestal supporting a beautiful sculpture. In its profile the head shows a most striking resemblance with the face of Delacroix's Liberty; the lower half from the nostrils and the short upper lip down to the curve of the chin is almost identical.

The so-called standing or perched eagle of the reverse is con-

sidered one of the most powerful incarnations of the heraldic animal on a coin. It had evolved from previous designs by Saint-Gaudens, most directly from the eagle on the reverse of his inaugural medal for Roosevelt. Similar eagles appear as three-dimensional sculptures as early as 1893, on either side of the Shaw memorial where they clearly allude to their ancestry from those proudly perching eagles of Ptolemaic Egypt. Looking at the enlarged obverse and reverse next to each other on the wall of my office I am always surprised by the difference in the modeling of the two sides. The relief is much higher on the reverse, the eagle's musculature solidly present beneath the extremely detailed feathers.

Already in 1791 Alexander Hamilton addressed the emblematic aspects of coinage in a report to the House of Representatives.¹² Although he considered the Eagle a not very expressive or apt appellation for the largest gold pieces, he concluded that there was nothing better. He had the acumen to observe, "the fewer sharp points and angles there are, the less will be the loss by wearing." Thus, to quote Vermeule, "from the beginning of the full national coinage, technical problems were deemed on a par with, or superior to, aesthetic considerations."¹³

I agree with Vermeule's assessment of the historical record, but I do not accept the implied principle that technical problems ought to be given superior consideration. The obverse of my Statue of Liberty five dollar gold piece is a case where the design intentions met the technical requirements by anticipating rather than yielding to their limitations. I knew full well that the relief of the original model and the final reduction hub had to be kept to an extremely low tolerance (measured in ten thousandths of an inch down from the highest elevation, the tip of Liberty's nose), and I took these constraints into account in the conceptual as well as the development stages of my design. During the actual modeling I could rely on a plaster basin, supplied by the Department of Technology, which had such a high-precision curvature that the measurements I took over and over again were bound to be absolutely precise (figs. 13-14). Thus I was able, throughout the design process, to avoid compromising my artistic standards by accommodating the technical demands of today's mass production.

Obviously in an ideal world the Department of Technology would provide whatever means an artist's innovative design might require for its execution. But what ought to be possible even under present conditions is the sort of collaboration that occurred in this case and which brought recognition to the participants: the Statue of Liberty five dollar gold coin was given the rare MS-70 status for its



13. Jones, Statue of Liberty
\$5, 1986 (basin)



14. Jones, Statue of Liberty
\$5, 1986 (model)



15. U.S. Statue of
Liberty \$5, 1986
(Jones)

technical perfection, and the International Coin of the Year Award for its artistic merits (fig. 15).

I had one advantage over Saint-Gaudens or his assistants Pratt, Fraser, and Weinman (all of whom created outstanding coin designs): I was not forced to work as an outsider in the process of adapting my coin designs for production. I was able to learn inside the mint what limitations are involved in the manufacture of coins. Still the history of coinage in this country would be much less impressive, or at least less varied, were it not for the work of outsiders, such as the famous (or, immediately after issue, infamous) Half Eagle by Bela Lyon Pratt (fig. 16).

At Saint-Gaudens' death the new series of coins envisioned by the President remained incomplete. The two additional pieces are known as the Bigelow-Pratt coins, because Dr. William Sturgis Bigelow, a friend of Roosevelt, had not only suggested Pratt for the execution, but also advocated use of the incuse technique. Bela Lyon Pratt, who had been a principal assistant of Saint-Gaudens and gained a reputation of his own, decided nevertheless to retain the same images and compositions as the Eagle coin. While he probably did this in tribute to Saint-Gaudens, he deviated from the precedent in two important respects: one was the technique of incuse carving, reminiscent of Egyptian mural reliefs; the other was the exceptional realism of the obverse.

The Indian head looks indeed as if a photograph had been transferred mechanically to the surface of the coin. Not surprisingly it was much criticized as lacking in beauty: the Indian looked emaciated, and was not at all the noble savage of the James Fenimore Cooper

tradition. But to me it is a very strong and convincing portrait; in view of contemporary tendencies toward beautification, one can only admire Pratt's courage in producing such an unorthodox image. This gold piece in fact marks the transition from the idealized Indian head of Saint-Gaudens to the rugged characterization on the Buffalo nickel of 1912 by James Earle Fraser.

With Pratt's homage to Saint-Gaudens ends the great period of circulating gold coinage. No new designs were added before the banking crisis of 1933 forced the other President Roosevelt to take the U.S. off the gold standard and prohibit the ownership and use of gold. In fact most of the 70 million Saint-Gaudens Double Eagles were melted down, over 22 million at the Philadelphia mint alone in 1934.

A world war and three decades had to pass before, in 1975, once again the precious metal was allowed to circulate in all forms (except, of course, regular coinage). The Krüggerrand had been introduced to Europe in 1967 and now became ubiquitous in the U.S., a coveted market that prompted an increasing number of nations to produce bullion coins. Finally, in 1980 the U.S. took tentative steps to issue her own gold bullion variety in the form of a series of half-ounce and one-ounce medals. Called the American Arts Commemorative Medallion, this attempt was unsuccessful, because the bullion buyers preferred legal tender coins. Thus the newly-established Gold Commission met twice in 1981 to consider the state of affairs, and after its second meeting in September there was talk about the production of gold bullion coins.

I mention these developments because their chronology obviously had an influence on the design of our first bullion coin (fig. 17). After my staff and I were notified that the Double Eagle obverse by Saint-Gaudens was to be used again for the obverse of the planned



16. U.S. \$5, 1908 (Pratt)



17. U.S. American Eagle Bullion Coin, 1 oz, 1986 (rev. Busick)

bullion issue, we were somewhat startled to learn that the design of a sculptor from Texas, Miley Busiek, had been chosen for the reverse. I had heard about her "Family of Eagles" concept personally, for she had telephoned me at the office shortly after my appointment as Chief Sculptor and Engraver in the autumn of 1981.

We came to know each other quite well over the years, since she had continued her interest in coins and medals. But it was only recently, in connection with this presentation, that I asked her how she had the idea to submit a design for the reverse of the future bullion coin. She responded, rather bemusedly, "I was on an airplane and saw an article in the *Wall Street Journal* about the Gold Commission and their deliberations. So I wrote them and asked for the reports on those meetings, and that was the beginning of it all." Her success involved not only the execution of her design, but an extensive and persistent lobbying effort probably never undertaken by any earlier artist. At the end of our conversation she said, "You see, one person really can make a difference."

The Chief Sculptor and Engraver was not consulted concerning the obverse, nor do I wish to comment now on the decision to reuse the Saint-Gaudens design. But it was obvious from the beginning that the original had to be adapted to current mass production requirements, as well as to the specific demands of proof coins and fractional denominations. In my mind the technical and artistic aspects were once again in conflict. In particular, the proof polishing would necessarily eviscerate the sculptural qualities of Saint-Gaudens' coin, as its execution requires extreme precision of design. The stars not only had to be increased in number, but made exactly alike; the sun's rays not only had to be strengthened, but made geometrically precise. Other details had to be adjusted, such as the foot of Liberty on the rock, which even in Saint-Gaudens' Double Eagle had been the most difficult part of the die to fill.

The most damaging and least essential interference with Saint-Gaudens' original, in my eyes and those of others including members of the Fine Arts Commission, was the slimming-down of Liberty. My staff and I first took this for a joke until we realized that it was, indeed, an order from above. Perhaps I am simply too sensitive about the inviolability of a great artist's work, or perhaps I am just too great an admirer of Augustus Saint-Gaudens, for my objections are not shared by everyone.

The new bullion coins fell short of their promise, but unpredictability of demand has always determined the fate of commemorative coins. This is a subject that I can touch on only briefly here.



18. U.S. Louisiana Purchase Jefferson \$1, 1903 19. U.S. Lewis and Clark \$1, 1904

The first commemorative gold coins of this century were the gold dollars struck in 1902 and 1903 in connection with the Louisiana Purchase Exposition in St. Louis (fig. 18). Offered at a premium of \$3, the coins were not popular and many were melted down. The same happened to the gold dollars authorized by Congress to commemorate the Lewis and Clark Exposition in 1904 (fig. 19). It is not difficult to see why these coins failed to sell: as souvenirs they were too expensive, and as collectors's items they had little aesthetic appeal.

In celebration of the 1915 Panama-Pacific Exposition, three gold coins were issued, and the \$50 coin (fig. 20), designed by Robert Aitken, is a good example of Saint-Gaudens' impact on the design of commemorative coins. They are not only more artistically conceived, they are stylistically in step with the period, most notably



20. U.S. Panama-Pacific \$50, 1915 (octagonal; round)

in the graphic reinterpretation of Greek motifs such as the helmeted Athena with her attendant owl of wisdom. In the octagonal version the added spaces at the edge were filled with dolphins, a direct reference to the coins of ancient Syracuse. In spite of their considerable aesthetic merits and their relatively small edition, even these coins were not a success.

As a result of the 1933 legislation the U.S. did not see another commemorative coin until 1982, when the Bicentennial of George Washington's birth prompted the issue of a silver half dollar. Its instant popularity opened the door for subsequent commemorative series. The Olympic Eagle of 1984, minted at West Point, was the first U.S. gold piece issued in over 50 years. In size, weight and fineness it is identical with the last Saint-Gaudens Eagles coined in 1933. No competitions were yet being held, and only the Mint's engraving staff submitted drawings for final selection by the Secretary of the Treasury. I did not submit a proposal, as I had already designed the Olympic Silver Dollar of the previous year. The design chosen for the Eagle obverse had been conceived by James Peed, head of the Exhibits and Art Department at the Mint headquarters, and adapted for production by John Mercanti, an engraver at the Philadelphia Mint, whose own submission provided the heraldic eagle for the reverse (fig. 21).



21. Final models for Olympic \$10, 1984 (obv. Peed and Mercanti; rev. Mercanti)

Collectors and critics alike considered the Olympic coins of mediocre artistic quality, and a congressional hearing was held to look into the selection and approval process. This was followed by ever more frequent public demands—especially from the country's community of medallist artists but also from members of the Fine Arts Commission—for the reinstatement of the competitions that had been customary as recently as the 1930s. The generally excellent results of those years owed much to the procedures that Saint-Gaudens had helped to introduce. As a member of various commis-

sions in Washington he was also “a frequent juror and gave advice in connection with a number of commissions for monumental sculpture for the government. Through these efforts he was able to help establish *the principle that such competitions be judged by a jury of peers—other artists and sculptors*—and assured that the participants would be given monetary awards for the time and effort spent to enter such competitions [italics mine].¹⁴

The Bicentennial of the Constitution in 1987, which was to be celebrated by the striking of a silver dollar and a Half Eagle, offered the first occasion for an invited competition in which outside artists as well as the Mint’s staff participated. The Half Eagle was won by the renowned medalist and sculptor Marcel Jovine (fig. 22). That there is a quill on both faces was not his original intention, but in the final selection the design he had submitted for the silver dollar reverse, which showed a quill in the center, was combined with the obverse of his Eagle design. As a result the coin shows not only a redundancy of symbols but an ambiguity as to which side is obverse or reverse. Still, Jovine produced an original design by marrying abstraction and naturalism in the treatment of the eagle.



22. U.S. Constitution Bicentennial \$5, 1987 (Jovine)

While mismatching the designs for obverse and reverse against the artist’s intentions is questionable enough, what is worse is the “mix and match” that combines obverse and reverse designs of different artists, especially two artists so distinctive as Saint-Gaudens and Charles Barber. Don Taxay gives the following account of that regrettable episode:

Saint-Gaudens’s first contact with the Mint developed during 1891, when he served on a committee to judge coin designs submitted through public competition. Subsequently, he was asked to design the 1892 Columbian Exposition medal. Saint-Gaudens accepted the commission with misgivings, which, as it turned out, were fully justified: for after considerable delay, the artist was informed that his obverse had been combined with a reverse supplied by the Mint’s own engraver, Charles Barber. Thereafter, Saint-Gaudens avoided the Mint.¹⁵

The commemorative coins issued to support the American athletes participating in the 1988 Olympic games held in Seoul were also the outcome of an invited competition among 12 outside artists and the engravers of the Mint. I found the subject matter rather awkward, so I decided to enter a head of the Greek goddess Nike, or Victory, which was not only appropriate to the occasion but was a welcome excuse for an excursion into antiquity. I was required to place the word Liberty on the obverse, and I decided to make it large enough that it would assert itself as a design element. In any case I felt the games ought to stand for the freedom of all nations to participate. Not wanting to diminish the prominence of this element I incised in minute lettering the other required legend, In God We Trust, on the victor's ribbon emerging from her hair (fig. 23).



23. U.S. Olympic \$5, 1988, obv. (Jones) 24. U.S. Olympic \$5, 1988, rev. (Jovine)

The reverse was designed by Marcel Jovine, with a stylized rendition of the Olympic flame as its central motif (fig. 24). His original drawing had the five Olympic rings following the coin's edge; our Olympic officials insisted that the rings appear in their standard logo form, i.e. interlocking in two parallel rows. More unfortunate was the international Olympic committee's ruling that the letters U S A had to be placed inside the rings. Although the mint pressed the point that the inscription United States of America already appeared along the lower edge, the Committee could not be persuaded to abandon its legalistic position.

The letters within the graphic symbol together with all the other inscriptions mandated by law contributed only clutter to the artist's basic idea. There is in fact one option to unclutter coins (though it is considered unaffordable nowadays): transferring one of the four mandatory inscriptions from the surface to the edge of the coin. Edge lettering is still practiced abroad, and was so here until 1933, as the Saint-Gaudens Double Eagle carried the inscription *E Pluribus Unum* around the edge. In the adaptation of his design for the gold bullion coin the inscription was moved from the edge to the already letter- saturated reverse.

With bicentennial celebrations following on one another's heels,

the 1989 Bicentennial of the United States Congress was the most recent occasion for a commemorative issue. The genesis of this issue, in all its fascinating political details, is the subject of an article by Representative James A. Hayes appearing elsewhere in this publication.

One point I hope to have made here is not only that we owe to Saint-Gaudens two of our artistically most outstanding coins. Through his influence, both direct and indirect, all subsequent U.S. coins gained a level of artistic quality unprecedented in our history and rarely reached by any other country in this century and ultimately not even diminished by the debased materials used for today's coinage.

No single factor accounted for the deep and lasting influence of Saint-Gaudens, but its origin may be traced to one cause: the historic encounter and personal relationship of two great men with vision. Will there—can there ever be again a moment when the president has a dialogue with an artist on the subject of coinage?

¹ My reflections on twentieth-century American gold coins are, of course, personal, rather than those of the not-yet-reappointed or replaced Chief Sculptor and Engraver of the United States Mint.

² C.C. Vermeule, *Numismatic Art in America* (Cambridge, MA, 1971), p. 42.

³ Q. David Bowers, *United States Gold Coins. An Illustrated History* (Los Angeles, 1982), p. 207.

⁴ The correspondence was first brought together by Homer Saint-Gaudens, "Roosevelt and Our Coin Designs," *The Century* 99 (April 1920), pp. 721-36.

⁵ Roosevelt to Shaw, Dec. 27, 1904, cited by Bowers (above, n. 3), p. 280.

⁶ Roosevelt to Shaw, Jan. 16, 1905, cited in Bowers (above, n. 3), p. 280.

⁷ Homer Saint-Gaudens, *The Reminiscences of Augustus Saint-Gaudens edited and amplified by Homer Saint-Gaudens*, 2 vols. (New York, 1913), p. 331.

⁸ Saint-Gaudens to Roosevelt, Nov. 11, 1905, cited in abbreviated form by John H. Dryfhout, *The Work of Augustus Saint-Gaudens* (Hanover, NH and London, 1982), p. 35 and n. 46. The text here is that reported by Homer Saint-Gaudens (above, n. 4), p. 725.

⁹ L. Taft, *Modern Tendencies in Sculpture* (Chicago, 1921), p. 103, cited by Dryfhout (above, n. 8), p. 34.

- ¹⁰ Vermeule (above, n. 2), p. 115.
- ¹¹ Roosevelt to Saint-Gaudens, Mar. 14, 1907, cited in Bowers (above, n. 3), p. 287.
- ¹² "Final Version of the Report on the Establishment of the Mint," Philadelphia, Jan. 28, 1791; published in H. C. Syrett, ed., *The Papers of Alexander Hamilton*, vol. 7 (Sept. 1790–Jan. 1791) (New York and London, 1963), pp. 570-607, at p. 604.
- ¹³ Vermeule (above, n. 2), p. 10.
- ¹⁴ Dryfhout (above, n. 8), p. 35 and n. 42, which enumerates some of the juries on which Saint-Gaudens served.
- ¹⁵ Don Taxay, *The U.S. Mint and Coinage* (New York, 1966), p. 308.

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America's Gold Coinage, COAC Book Released

America's Gold Coinage, the published proceedings from the Coinage of the Americas Conference at the American Numismatic Society, November 4-5, 1989, is now available from the ANS. The price of the book is \$15. It can be ordered directly from the ANS, Broadway at 155th Street, New York, NY 10032. (Add a \$1.50 for postage.)

America's Gold Coinage will be sent automatically to those individuals who registered for the conference.

The eagerly awaited volume of edited presentations from the COAC on America's gold includes papers by John W. McCloskey, "A Study of Classic Half Eagles, 1834-1838"; Cory Gilliland, "U.S. Gold Bullion Coins: A Nineteenth-Century Proposal"; Walter H. Breen, "Metallic Panaceas: Gold Bugs, Silver Crusaders, and the Wizard of OZ"; Charles R. Hoskins, "In Search of the Imperfect Coin: A Cautionary Tale"; Richard G. Doty, " 'An onerous and delicate task': Franklin Peale's Mission South, 1837"; Q. David Bowers, "Collecting United States Gold Coins: A Numismatic History"; James A. Hayes, "The Politics of Coinage as Illustrated by Recent Commemorative Issues"; Elizabeth Jones, "Reflections on the Gold Coinage of the Twentieth Century."

MORE

ANS Chief Curator William E. Metcalf, the 1989 COAC Chairman and editor of the volume, writes in the introduction: "Those who were present are unlikely to forget the excitement surrounding the display of over 600 pieces from the Bass Collection [the Harry W. Bass, Jr. Reference Collection of United States Federal Gold Coinage]... Virtually all the papers published here reflect the oral presentations almost verbatim, and perhaps this volume will succeed in communicating not only the substance but the spirit of the 1989 Coinage of the Americas Conference.

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